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Canada. Agricultural Supplies Board

CANADIAN AGRICULTURAL PROGRAM

for 1945



Agricultural Supplies Board
Dominion Department of Agriculture



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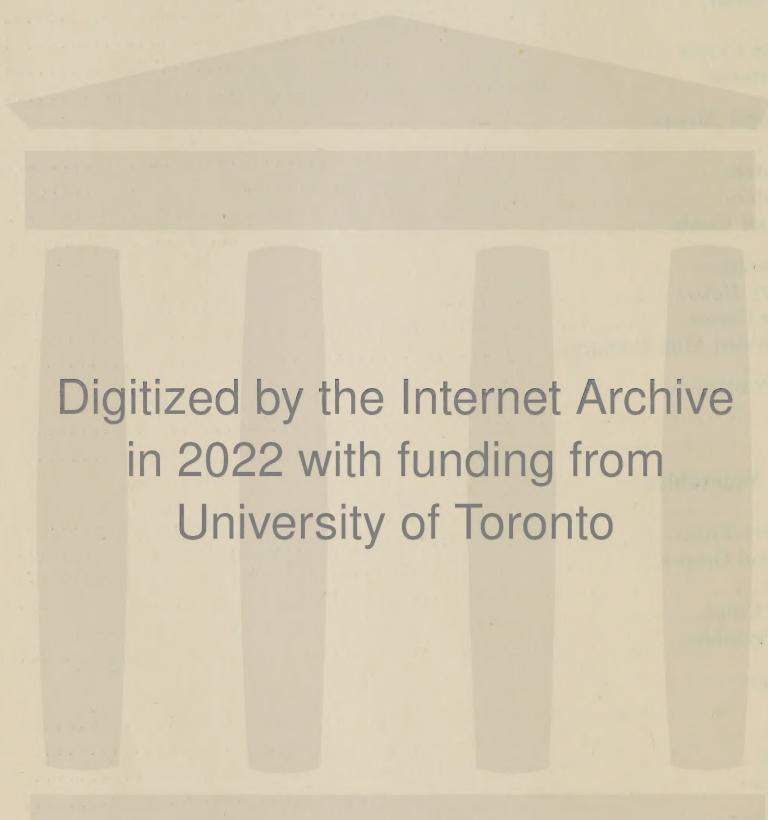
THE HON. JAMES G. GARDINER,
MINISTER OF AGRICULTURE, OTTAWA, CANADA
1945

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FOREWORD

By the Honourable James G. Gardiner, Minister of Agriculture

The agricultural program for Canada in 1945 again emphasizes the production of livestock and dairy products. The demand both from overseas and in Canada continues at the high level established in 1944. As an evidence of the need, and in an effort to secure the required volume, the United Kingdom has agreed to an extension of the contracts for bacon and beef to cover the year 1946, while the contract for cheese runs to the end of 1945. With these contracts in effect, producers of livestock products are assured of a market for a considerable period, and can make their plans accordingly. This in turn means that there should be a good market for feed crops particularly oats and barley.

Although this emphasis on livestock products is based primarily upon wartime requirements, it also recognizes that the demand for meats and dairy products is likely to continue at a high level for some time after the war. Habits of consumption developed during wartime will contribute to this continued demand, and public appreciation of the need for improved nutrition, which has grown in recent years, will also be a factor in extending it.

While a continued heavy demand for livestock products means indirectly a good market for oats and barley, the outlook for wheat, on the other hand, is less certain. There is every prospect that over the next year or two a market will be available for as much wheat as can be transported, but the long-run position is more obscure. There is an abundant supply of wheat in store in Canada and elsewhere; there is the ease and rapidity with which acreage may be increased and the uncertainty as to what may be done by European countries in this connection; and there is the problem of foreign exchange, international trading and agreements to consider.

Taking these various factors into consideration, and recognizing that we have reached, or are very near, the peak of production with available acreage and manpower, it seems desirable to divert as much land and labour to the production of feed grains as the production of livestock products will require. Accordingly the program outlined in this report suggests that in 1945 the area devoted to wheat be 20,700,000 acres in the Prairie Provinces and a total of 21,500,000 acres for all of Canada. This would represent an acreage slightly less than was seeded in 1944. The remainder of the acreage devoted to grain in 1944 should go into oats and barley, leaving the area in summerfallow approximately unchanged.

The program for 1945 also emphasizes increased production of the oil-bearing crops—flaxseed, sunflower seed, rapeseed, and soybeans. Increased acreage is also suggested for dried beans, husking corn, all classes of tobacco, and most of the seed crops. The acreage devoted to these crops is not large in terms of the total cropping area in Canada but they have an important place in the war program and should receive the necessary consideration in 1945.

CANADIAN AGRICULTURAL PROGRAM FOR 1945

	Unit	1944 Production	1945 Recommendation	1945 of 1944
<i>Grain and Forage Crops—</i>				%
Wheat.....	ac.	23,284,000	21,500,000	92
Oats.....	ac.	14,315,000	16,000,000	112
Barley.....	ac.	7,291,000	8,038,000	110
Mixed Grain.....	ac.	1,518,000	1,518,000	100
Rye.....	ac.	648,000	500,000	77
Hay and Clover.....	ac.	10,320,000	10,300,000	100
Alfalfa Hay.....	ac.	1,580,000	1,600,000	101
Summerfallow (Prairie Prov.).....	ac.	19,428,000	20,000,000	103
<i>Meat Animals (Marketings)</i>				
Hogs.....	no.	8,860,000	8,860,000	100
Cattle.....	no.	1,375,000	1,480,000*	108
Calves.....	no.	698,500	766,000*	110
Sheep and Lambs.....	no.	1,100,000	1,138,000*	103
<i>Dairy Products—</i>				
Milk (total).....	lb.	17,600,000,000	18,100,000,000	103
Creamery Butter.....	lb.	298,005,000	310,000,000	104
Cheddar Cheese.....	lb.	176,600,000	177,000,000	100
Evaporated Whole Milk.....	lb.	175,000,000	175,000,000	100
Condensed Whole Milk.....	lb.	32,000,000	30,000,000	94
Whole Milk Powder.....	lb.	17,000,000	17,000,000	100
Skim Milk Powder.....	lb.	27,500,000	27,500,000	100
<i>Eggs and Poultry—</i>				
Eggs (total).....	doz.	374,772,000	397,263,000*	106
Eggs (export).....	doz.	79,929,750	104,610,000*	131
Poultry Meat.....	lb.	289,173,000	292,000,000*	101
<i>Fruits and Vegetables—</i>				
Apples.....	bus.	16,487,000	14,000,000*	85
Pears, Cherries, Plums, Prunes.....		(varying increases for 1945)		
Peaches, Apricots, Grapes.....		(some reduction for 1945)		
Strawberries, Raspberries, Loganberries.....		(varying increases for 1945)		
Potatoes.....	ac.	534,900 |	523,600	98
Canning beans and corn.....		(slight increase for 1945)		
Canning tomatoes and peas.....		(slight decrease for 1945)		
Fresh vegetables.....		(maintained at 1944 levels)		
Vegetables for Dehydration.....		(no increase for 1945)		
<i>Oilseed Crops—</i>				
Soybeans.....	ac.	36,200	40,000	110
Rapeseed.....	ac.	12,030	20,600	171
Sunflower Seed.....	ac.	17,300	28,000	162
Flaxseed.....	ac.	1,323,000	1,350,000*	102
<i>Other Crops—</i>				
Dries Beans.....	ac.	99,500	125,000	126
Dried Peas.....	ac.	83,600	83,600	100
Husking Corn.....	ac.	270,000	350,000	130
Sugar Beets.....	ac.	58,350	70,000	120
Tobacco—				
Flue Cured.....	ac.	73,830	88,900	120
Burley.....	ac.	9,410	12,500	133
Cigar Leaf.....	ac.	3,050	4,460	146
Dark.....	ac.	1,150	1,550	135
Pipe.....	ac.	1,620	1,730	107
<i>Seed Crops—</i>				
Alfalfa Seed.....	lb.	7,775,000	15,000,000	193
Alsike Clover Seed.....	lb.	1,400,000	7,000,000	500
Red Clover Seed.....	lb.	6,917,000	10,000,000	145
Sweet Clover Seed.....	lb.	11,363,000	7,000,000	62
Brome Grass Seed.....	lb.	10,590,000	8,000,000	75
Crested Wheat Grass Seed.....	lb.	2,365,000	2,500,000	106
Timothy Seed.....	lb.	11,154,000	15,000,000	134
Other Grass Seeds.....	lb.	826,000	1,096,000	132
Vegetable and Field Root Seeds.....		(varying recommendations for 1945-46)		

CANADIAN AGRICULTURAL PROGRAM FOR 1945—Continued

	Unit	1944 Production	1945 Recommendation	1945 of 1944
<i>Miscellaneous—</i>				%
Maple Products.....	gal.	3,090,300	2,720,000*	88
Honey.....	lb.	36,216,000	36,600,000	101
Wool.....	lb.	15,128,000	15,500,000*	102
Horses.....		(no increase recommended)		
Fibre Flax.....	ac.	39,102	39,102*	100

NOTE:—*Indicates estimated production.

The majority of 1944 production data are preliminary.

THE DECEMBER CONFERENCE AND THE 1945 PROGRAM

The recommendations presented herein were discussed at a Conference in Ottawa on December 4–5–6, 1944. This was the twelfth wartime agricultural conference, and the third annual conference convened under the auspices of the Agricultural Supplies Board to discuss the full agricultural program for the coming year. As on previous occasions, representatives were present from each provincial department of agriculture, as well as the Canadian Federation of Agriculture. Others present in addition to Dominion Government officials included representatives from the Canadian Wheat Board, the British Ministry of Food, and the United States Department of Agriculture.

Prior to the conference, preliminary reports were prepared for each commodity, incorporating the latest statistical information relevant to discussions on the 1945 program. These reports were prepared at Ottawa by a number of sub-committees, co-ordinated by a central committee responsible to the Supplies Board. On the basis of the best available information with respect to present supply and probable requirements of the various commodities in 1945, it was possible for each committee to suggest the desirable level of output for 1945. At the Conference, 1945 recommendations and estimates were fully discussed, the greatest attention being directed to commodities where there was the largest discrepancy between recommended output and probable production.

In his opening address to Conference delegates, the Minister of Agriculture Honourable James G. Gardiner made particular reference to meats, dairy products and wheat—commodities which subsequently came in for major attention. Mr. Gardiner announced that export agreements for bacon and beef with the United Kingdom would be extended on the present price basis until the end of 1946, thus guaranteeing hog and cattle producers an outlet for all surplus production for at least the next two years. For the time being, he indicated, the best interests of the United Kingdom the United States and Canada would be served if shipments of live cattle to the United States were not resumed, but he promised present restrictions would be lifted whenever it became mutually desirable. Dairy production should be maintained at maximum levels, but in the case of wheat, the supply is in excess of the anticipated demand for at least another crop year, and no increase in production is advised.

Mr. A. M. Shaw, Chairman of the Agricultural Supplies Board, acted as Chairman of the Conference. At the outset, he stated that as Canadian agricultural output must be considered as having virtually reached peak levels,

no further great over-all increase could be expected, although some adjustments were possible as between commodities. The order of procedure adopted for the Conference was to have the reports for each group of commodities read by the Chairman of the committee responsible, followed by general discussion.

Before proceeding with the commodity discussion, the Conference heard from Mr. Arthur McNamara, Director of National Selective Service who spoke on the farm labour situation. Mr. McNamara reviewed the measures adopted to relieve the manpower problem in agriculture in 1944, and promised that National Selective Service would make every effort to co-operate in the 1945 farm program.

Commodity discussions opened with grains and forage crops. As in the previous year, wheat came in for considerable attention, and there was a general feeling that no increase in wheat acreage should be encouraged. In fact, as indicated elsewhere in this report, the conference recommended that wheat acreage be reduced, that summerfallow be maintained, and acreage in oats and barley be increased.

Meat animals, the second topic considered, also provoked much discussion, particularly with reference to hogs. After breaking all records in 1944, there are some indications of a decline in hog slaughtering in 1945 although United Kingdom requirements for Canadian bacon remain as high as ever and farmers have an assured market for all the hogs they can deliver to packing plants. Cattle marketings are expected to continue at record levels in 1945, with all surplus beef being frozen for shipment overseas.

Considerable emphasis was laid on the continuing need to maintain milk production at high levels. Fluid milk consumption has reached a high point, there is a large export contract for cheddar cheese, and it has been found necessary to reduce the domestic butter ration slightly until storage stocks regain a desirable level.

Poultry production came in for considerable discussion at the conference. As in the case of hogs, poultry flocks have been rapidly increased during wartime, leading to record production of eggs and a very substantial increase in poultry meats. There is an assured export outlet for all surplus eggs at least till the end of 1945, but there was some discussion at the conference as to whether it would not be advisable to hold production to the 1944 level rather than to encourage any further expansion in the spring of 1945. Increased efficiency rather than increased numbers would now seem to be desirable.

To a considerable degree, fruit and vegetable crops depend on the vagaries of nature, and for this reason, in most cases estimates, rather than recommendations, are presented for 1945. There is a good demand for fresh fruit, and although there may be a considerably smaller apple crop in 1945, greater production of pears, cherries, plums and prunes, strawberries, raspberries, and loganberries is forecast. Crops of peaches, grapes, and apricots in 1945 may be a little smaller than bumper 1944 crops.

In the case of vegetables, a good demand for fresh vegetables is to some extent counterbalanced by probably smaller requirements for dehydrating. More canning beans and corn can be used in 1945, but a slight decrease is suggested for canning tomatoes and peas. The recommendation to potato producers also suggests planting a slightly smaller acreage in 1945 which will meet all requirements if a yield equal to the average of recent seasons is secured.

A considerable demand for oilseed crops continues. Production of flaxseed, the major oilseed crop, slumped badly in 1944 and apparently there is a market for a much larger crop in 1945. A definite recommendation was not decided

upon at the Conference, however, till pricing arrangements for exporting the surplus are completed. Increased plantings of rapeseed and sunflower seed in specialized areas are recommended. There is an increased domestic outlet for soybeans, but any increase in this crop is expected to be moderate.

Other specialized crops for which varying increases are recommended in 1945 include dried beans, husking corn, sugar beets, tobacco, and a number of the hay and pasture seed crops, particularly, red clover, alsike and alfalfa. Virtually the same acreage of dried peas is suggested for 1945, and a smaller harvest of sweet clover seed and brome grass seed. Vegetable seed production, a matter of extreme urgency in the war, has now reached satisfactory levels, and it has even been possible to recommend decreases for 1945-46 in the case of a few varieties.

For maple products, 1945 production may decrease slightly as compared with 1944. In the case of honey, a crop of about the same size as 1944 is recommended, although the large number of colonies may result in a somewhat larger crop if conditions are favourable.

Consideration of the various commodity reports occupied the first two days of the conference. The final day was given over to a presentation in summarized form of the recommendations for 1945, followed by comments on the program by a spokesman for each province, in most cases the Minister or Deputy Minister of Agriculture. Following the provincial speakers, Mr. H. H. Hannam, President of the Canadian Federation spoke on behalf of the organized farmers of Canada, and the 1944 Conference closed with an address by Honourable James G. Gardiner, Minister of Agriculture.

Probably to a greater degree than on any similar previous occasion discussions of the 1945 agricultural program at the Conference were characterized by unanimity of opinion and lack of discord. Several speakers suggested such annual discussions should be a permanent feature in the post-war period, as part of a program to assist farmers in obtaining greater security and stability of income.

OTTAWA, January 15, 1945.

GRAIN AND FORAGE CROPS

If the acreages suggested for the various grain crops and summerfallow are realized, the acreages in 1945 will not be greatly changed from those which were sown in 1944. Fundamentally, what is required is a full acreage in grains without reducing the summerfallow area to the detriment of crops in subsequent years. Some reduction from the 1944 wheat acreage in the Prairie Provinces is recommended for 1945, together with increases in the acreages of oats and barley. With the expectation that the upward trend in total cultivated acreage which has been taking place since the outbreak of war will continue through 1945, an expansion in oats and barley acreages can be realized while still maintaining the area devoted to summerfallow at approximately 20,000,000 acres. The suggested areas for wheat, oats, barley and summerfallow assume that there will be very little change, if any, from the 1944 acreages of forage crops and flaxseed.

Wheat.—A wheat area of 21,500,000 acres for the whole of Canada and 20,700,000 for the Prairie Provinces, is suggested for 1945. This recommendation is based upon exports of 350,000,000 bushels and a domestic utilization of 160,000,000 bushels in both the current crop year and in 1945–46. The wheat requirements of liberated Europe may be reasonably expected to provide adequate demand, in addition to other areas Canadian wheat is now serving, to utilize all the wheat that can be placed in export position. Canadian inland storage and transportation facilities are now functioning at a rate which may facilitate the export of 350,000,000 bushels of wheat per year. This level of exports was attained in the past crop year when a considerable quantity of wheat was railed to the United States direct from Western country points. The increased demand for overseas shipments and lessening demand for imports into the United States will accordingly place a greater burden upon Canadian transportation facilities in the present and coming crop year.

The domestic utilization of wheat in Canada will probably be moderately reduced in the present and coming crop year in the event of declining feed requirements for hogs.

With exports maintained at 350,000,000 bushels in 1945–46 and total domestic utilization placed at 160,000,000 bushels, average crop yields on an area of 21,500,000 acres would reduce the carry-over of wheat by 166,000,000 bushels, and would still leave a carry-over of 127,000,000 bushels on hand at July, 31, 1946.

TABLE 1.—WHEAT ACREAGE AND RECOMMENDATIONS FOR 1945

	Average 1936–40					1945 of 1944
		1943	1944	1945		
	ac.	ac.	ac.	ac.	%	
CANADA.....	26,518,000	16,850,000	23,284,000	21,500,000		92
Prince Edward Island.....	16,740	8,000	5,800	5,800		100
Nova Scotia.....	3,360	2,000	1,600	1,600		100
New Brunswick.....	11,540	3,200	3,000	3,000		100
Quebec.....	44,860	27,500	26,900	26,900		100
Ontario.....	782,400	638,800	705,800	665,700		94
Manitoba.....	3,065,120	1,640,000	2,505,800	2,300,000		92
Saskatchewan.....	14,446,800	9,622,000	13,200,000	12,200,000		92
Alberta.....	8,077,240	4,829,000	6,738,000	6,200,000		92
British Columbia.....	69,580	79,200	97,300	97,000		100

THE SUPPLY SITUATION

—	Average 1936-40	1943-44	1944-45 ¹	1945-46 ²
(million bushels)				
Stocks at beginning of year.....	119	595	355	293
Production.....	364	285	448	344
Imports.....				
Total Supplies.....	483	880	803	637
Exports.....	178	344	350	350
Available for Domestic Use.....	305	536	453	287
Domestic Utilization.....	108	181	160	160
Carry-over end of year.....	197	355	293	127

¹ Preliminary.² Estimate.

Oats.—An oats area of 16,000,000 acres is recommended for 1945 for all Canada, with 12,000,000 acres in the Prairie Provinces. The domestic consumption of oats is expected to remain constant at about 450,000,000 bushels during the present crop year and also in 1945-46. The carry-over of oats at July 31, 1945, is estimated at 110,000,000 bushels and an average yield on 16,000,000 acres in 1945 would furnish a crop of about 500,000,000 bushels, making total available supplies 610,000,000 bushels.

Domestic consumption of 450,000,000 bushels would leave a balance of only 160,000,000 bushels for export or carry-over. If a safety reserve of 80,000,000 bushels were to be held as carry-over at the end of the 1945-46 crop year, 80,000,000 bushels of oats could be released for export, as compared with 75,000,000 bushels expected to be exported during the current crop year.

TABLE 2.—OATS ACREAGE AND RECOMMENDATIONS FOR 1945

—	Average 1936-40	1943	1944	1945	1945 of 1944
	ac.	ac.	ac.	ac.	%
CANADA	12,887,000	15,407,000	14,315,000	16,000,000	112
Prince Edward Island.....	148,600	122,700	120,500	121,000	110
Nova Scotia.....	91,240	69,000	67,800	68,000	100
New Brunswick.....	213,360	206,300	202,500	204,000	101
Quebec.....	1,675,580	1,690,000	1,685,000	1,750,000	104
Ontario.....	2,280,160	1,457,000	1,716,000	1,780,000	104
Manitoba.....	1,399,080	1,631,500	1,615,000	1,850,000	115
Saskatchewan.....	4,251,840	6,482,000	5,640,300	6,450,000	114
Alberta.....	2,712,340	3,676,000	3,191,600	3,700,000	116
British Columbia.....	114,480	72,400	76,300	77,000	101

THE SUPPLY SITUATION

—	Average 1936-40	1943-44	1944-45 ¹	1945-46 ²
		(million bushels)		
Stocks at beginning of year.....	35	149	109	110
Production.....	335	482	526	500
Imports.....				
Total Supplies.....	370	631	635	610
Exports.....	13	71	75	80
Available for Domestic Use.....	357	560	560	530
Domestic Utilization.....	322	451	450	450
Carry-over end of year.....	35	109	110	80

¹ Preliminary.² Estimate.

Barley.—A barley area of 8,000,000 acres is recommended for all Canada, with 7,500,000 acres in the Prairie Provinces. The prospective disappearance of barley into feed channels in 1944-45 is some 25,000,000 bushels lower than in 1943-44. Exports have been restricted to barley suitable for malting purposes, and it is expected that the disappearance into this channel will amount to about 35,000,000 bushels. In order, therefore, to provide a safe carry-over at July 31, 1946, it was considered necessary to establish an acreage goal of 8,000,000 acres, which would, at an average yield of 24 bushels per acre, result in a crop of 192,000,000 bushels.

TABLE 3.—BARLEY ACREAGE AND RECOMMENDATIONS FOR 1945

	Average 1936-40	1943	1944	1945	1945 of 1944
	ac.	ac.	ac.	ac.	%
CANADA	4,382,000	8,397,000	7,291,000	8,038,000	110
Prince Edward Island.....	8,300	14,200	14,200	15,000	106
Nova Scotia.....	10,180	12,600	10,100	11,000	109
New Brunswick.....	15,400	18,900	16,100	17,000	106
Quebec.....	165,340	156,000	136,000	140,000	103
Ontario.....	528,020	279,000	331,000	335,000	101
Manitoba.....	1,354,200	2,341,000	2,123,000	2,350,000	111
Saskatchewan.....	1,216,620	3,316,000	2,698,500	3,000,000	111
Alberta.....	1,069,660	2,239,000	1,941,900	2,150,000	111
British Columbia.....	14,640	20,100	19,900	20,000	101

THE SUPPLY SITUATION

	Average 1936-40	1943-44	1944-45 ¹	1945-46 ²
		(million bushels)		
Stocks at beginning of year.....	9	69	46	35
Production.....	93	216	204	193
Imports.....				
Total Supplies.....	102	285	250	228
Exports.....	12	34	35	40
Available for Domestic Use.....	90	251	215	188
Domestic Utilization.....	81	205	180	165
Carry-over end of year.....	9	46	.....	23

¹ Preliminary. ² Estimate.

Rye.—It appears feasible to recommend a reduction in seeded acreage to rye to make room for more desirable coarse grain crops. A rye area of 500,000 acres with average yields will provide for domestic use, leave an adequate carry-over and allow for exports of 2,000,000 bushels. Fall rye sowings in the autumn of 1944 were reduced to 366,000 acres.

TABLE 4.—RYE ACREAGE AND RECOMMENDATIONS FOR 1945

	Average 1936-40	1943	1944	1945	1945 of 1944
	ac.	ac.	ac.	ac.	%
CANADA	879,000	576,000	648,000	500,000	77
Prince Edward Island.....					
Nova Scotia.....					
New Brunswick.....					
Quebec.....	6,560	12,600	9,300	9,000	97
Ontario.....	71,840	64,000	65,000	65,000	100
Manitoba.....	153,200	56,000	44,500	43,000	97
Saskatchewan.....	479,960	339,900	397,400	292,000	74
Alberta.....	163,260	102,200	130,650	90,000	69
British Columbia.....	4,600	1,400	1,100	1,000	91

THE SUPPLY SITUATION

	Average 1936-40	1943-44	1944-45 ¹	1945-46 ²
(million bushels)				
Stocks at beginning of year.....	3	15	6	5
Production.....	10	7	11	6.5
Imports.....				
Total Supplies.....	13	22	17	11.5
Exports.....	2	9	5	2
Available for Domestic Use.....	11	13	12	9.5
Domestic Utilization.....	8	7	7	7
Carry-over end of year.....	3	6	5	2.5

¹ Preliminary. ² Estimate.

Mixed Grains.—No change in acreage seeded to mixed grains is recommended for 1945-46. The greater part of this acreage is located in Ontario and Quebec. Average yields on the acreage recommended would provide 49.5 million bushels of mixed grain for livestock feed.

TABLE 5.—MIXED GRAIN ACREAGE AND RECOMMENDATIONS FOR 1945

	Average 1936-40	1943	1944	1945	1945 of 1944
	ac.	ac.	ac.	ac.	%
CANADA	1,180,000	1,463,000	1,518,000	1,518,000	100
Prince Edward Island.....	33,500	53,000	54,200	54,200	100
Nova Scotia.....	6,260	7,000	6,000	6,000	100
New Brunswick.....	3,820	12,700	13,100	13,100	100
Quebec.....	147,400	291,800	265,700	265,700	100
Ontario.....	912,180	895,000	984,000	984,000	100
Manitoba.....	23,200	40,900	41,800	41,800	100
Saskatchewan.....	26,330	75,500	96,200	96,200	100
Alberta.....	22,200	80,600	50,600	50,600	100
British Columbia.....	4,520	6,700	6,500	6,500	100

THE SUPPLY SITUATION

	Average 1936-40	1943-44	1944-45 ¹	1945-46 ²
(million bushels)				
Stocks at beginning of year.....				
Production.....	39	36	53	49.5
Imports.....				
Total Supplies.....	39	36	53	49.5
Exports.....				
Available for Domestic Use.....	39	36	53	49.5
Domestic Utilization.....				
Carry-over end of year.....				

¹ Preliminary. ² Estimate.

Alfalfa.—A small increase in alfalfa acreage is recommended for 1945-46 as an indication of a desirable trend. Because of its protein content and palatability, alfalfa might advantageously replace other less desirable forage crops where soil and climatic conditions permit.

TABLE 6.—ALFALFA ACREAGE AND RECOMMENDATIONS FOR 1945

	Average 1936-40	1943	1944	1945	1945 of 1944
		ac.	ac.	ac.	%
CANADA	908,140	1,544,000	1,580,200	1,600,000	101
Prince Edward Island.....					
Nova Scotia.....					
New Brunswick.....					
Quebec.....	16,980	71,300	71,100	71,000	101
Ontario.....	666,820	794,000	789,000	799,000	101
Manitoba.....	55,860	230,000	235,000	238,000	101
Saskatchewan.....	26,040	151,300	160,900	163,000	101
Alberta.....	91,420	226,000	249,200	252,000	101
British Columbia.....	51,020	71,400	76,000	77,000	101

THE SUPPLY SITUATION

	Average 1936-40	1943-44	1944-45 ¹	1945-46 ²
		(tons)		
Stocks at beginning of year.....				
Production.....	2,177,800	3,891,000	3,922,000	4,000,000
Imports.....				
Total Supplies.....	2,177,800	3,891,000	3,922,000	4,000,000
Exports.....				
Available for Domestic Use.....	2,177,800	3,891,000	3,922,000	4,000,000
Domestic Utilization.....				
Carry-over end of year.....				

¹ Preliminary. ² Estimate.

Hay and Clover.—No change in the 1944 acreage of 10·3 million acres is recommended for hay and clover. The preponderant proportion of this acreage is located in Quebec and Ontario.

TABLE 7.—HAY AND CLOVER ACREAGE AND RECOMMENDATIONS FOR 1945

	Average 1936-40	1943	1944	1945	1945 of 1944
		ac.	ac.	ac.	%
CANADA	8,789,000	9,815,600	10,320,000	10,300,000	100
Prince Edward Island.....	229,400	217,100	216,800	216,000	100
Nova Scotia.....	401,620	402,700	429,000	429,000	100
New Brunswick.....	569,020	636,900	654,100	654,000	100
Quebec.....	3,626,340	4,062,000	4,392,000	4,384,000	100
Ontario.....	2,762,180	2,866,000	2,924,700	2,920,000	100
Manitoba.....	425,040	440,000	431,000	430,000	100
Saskatchewan.....	244,120	319,300	346,400	345,000	100
Alberta.....	376,100	657,800	702,700	700,000	100
British Columbia.....	155,180	213,800	223,000	222,000	100

THE SUPPLY SITUATION

	Average 1936-40	1943-44	1944-45 ¹	1945-46 ²
		(tons)		
Stocks at beginning of year.....				
Production.....	13,615,600	17,238,000	15,537,000	18,025,000
Imports.....				
Total Supplies.....	13,615,600	17,238,000	15,537,000	18,025,000
Exports.....				
Available for Domestic Use.....	13,615,600	17,238,000	15,537,000	18,025,000
Domestic Utilization.....				
Carry-over end of year.....				

¹ Preliminary. ² Estimate.

Summerfallow.—The acreage in summerfallow in the Prairie Provinces during the war years has been consistently higher than during the 1936-40 period. As compared with a pre-war summerfallow area of 16,000,000 acres, the 1941 summerfallow area was increased to a record 23,000,000 acres, and since then has been held fairly steadily in the neighbourhood of 20,000,000 acres. This same area is recommended for 1945 in order to protect crop yields in subsequent years.

TABLE 8.—SUMMERFALLOW ACREAGE IN THE PRAIRIE PROVINCES
AND RECOMMENDATIONS FOR 1945

—	Average 1936-40	1943	1944	1945	1945 of 1944
	ac.	ac.	ac.	ac.	%
Manitoba.....	2,064,000	2,313,000	1,845,000	1,900,000	103
Saskatchewan.....	9,513,000	11,979,000	11,600,000	11,950,000	103
Alberta.....	4,720,000	6,345,000	5,983,000	6,150,000	103
TOTAL, PRAIRIE PROVINCES.....	16,297,000	20,637,000	19,428,000	20,000,000	103

LIVESTOCK AND MEATS

The total output of meat in Canada in 1944 was the largest on record. According to preliminary estimates the total supply, including both inspected and non-inspected production, and allowing for changes in storage stocks, was more than $2\frac{1}{2}$ billion pounds. Of this total, 1,886 million pounds represents production from inspected establishments. Inspected slaughterings of all kinds of stock show increases over 1943. Output of pork products was by far the greatest on record, while cattle slaughterings were also substantially higher than previous years.

Export shipments of meats, principally to the United Kingdom, have continued at high levels. Bacon and frozen beef comprised the largest items in the estimated total of 908 million pounds available for export in 1944. All export supplies, as well as 123 million pounds for non-civilian priority use, were drawn from inspected channels. The balance of inspected production, 923 million pounds, and the 629 million pounds from non-inspected channels, was available for domestic distribution.

In 1945, if hog slaughterings attain the level which is recommended on the basis of estimated requirements, and if expected marketings of other kinds of livestock materialize, the total meat supply will again exceed $2\frac{1}{2}$ billion pounds, or about the same as in 1944.

This level of production, assuming no change in domestic requirements, would provide an exportable supply of 852 million pounds of meat of which at least 600 million pounds would be bacon and hams. The key factor in the meat supply situation in 1945, however, will be how nearly the production of hogs can be maintained at the 1944 level.

TABLE 9.—ALL MEATS: SUPPLIES AND DISPOSITION, 1944

	Pork	Beef	Veal	Mutton and Lamb	Total Meats
(000 lb.)					
Production: ¹					
From inspected slaughter.....	1,118,998	659,317	66,800	41,230	1,886,345
From non-inspected slaughter.....	264,500	287,554	53,243	23,280	628,577
Total output.....	1,383,498	946,871	120,043	64,510	2,514,922
Total Supply ²	1,429,702	968,927	119,043	64,510	2,582,182
For Export to U. K.					
Fresh or cured.....	650,000	151,295	.....	1,150	802,445
Canned ³	77,000	.....	.....	550	77,000
Other Exports	13,300	15,000	.....	.....	28,850
Total Exports	740,300	166,295	.....	1,700	908,295
For Domestic Use:					
Civilian, non-inspected.....	264,500	287,554	53,243	23,280	628,577
Civilian, inspected.....	381,782	442,022	63,600	35,215	922,619
Non-civilian, inspected.....	43,120	73,056	2,200	4,315	122,691
Total, domestic.....	689,402	802,632	119,043	62,810	1,673,887

¹ Chilled carcass basis, not including lard, tallow or offals.² Adjustment made for imports and storage stocks.³ Converted to carcass basis.TABLE 10.—ALL MEATS: TENTATIVE SUPPLIES AND DISPOSITION, 1945³

	Pork	Beef	Veal	Mutton and Lamb	Total Meats
(000 lb.)					
Production: ¹					
From inspected slaughter.....	1,096,977	689,185	70,800	40,700	1,897,662
From non-inspected slaughter.....	264,500	287,554	53,243	23,280	628,577
Total output.....	1,361,477	976,739	124,043	63,980	2,526,239
Total Supply ²	1,361,477	976,739	124,043	63,980	2,526,239
Domestic Requirements:					
Civilian.....	646,282	729,576	116,843	58,965	1,551,668
Non-civilian.....	43,120	73,056	2,200	4,315	122,691
Total, domestic.....	689,402	802,632	119,043	63,280	1,674,357
Surplus for export, for canning or stock-piling.....	672,075	174,107	5,000	700	851,882

¹ Preliminary estimate of production, chilled carcass basis excluding lard, tallow and offals.² Adjustment made for imports and storage stocks.³ Provided recommendation for hogs and estimates for other livestock attained.

Hogs.—In 1944 inspected slaughterings of hogs in Canada reached a record total of 8,776,000 head or nearly 25 percent greater than in 1943. It is estimated that the output from inspected establishments totalled about 1,119 million pounds of bacon and pork and 125 million pounds of lard. In addition, it is estimated that production of pork in non-inspected channels was about 265 million pounds, making a grand total production of 1,383 million pounds. When stock changes are taken into consideration, the total supply of cured and fresh pork for 1944 was about 1,430 million pounds.

The approximate disposition of the 1944 supply of pork products is indicated in table 11. Supplies for export and non-civilian priority use are drawn from inspected production only, with civilian requirements met from both inspected and non-inspected sources. As shown, exports of bacon, pork and canned pork on a fresh carcass basis totalled 740 million pounds. The total of 689 million pounds for domestic uses includes 265 million pounds from non-inspected sources, and 43 million pounds for non-civilian use.

In 1945 the demand for pork products will continue at high levels. Under the current bacon agreement, producers are assured continuance of an outlet at firm prices throughout 1945 and 1946 for all of the hogs they are able to deliver. United Kingdom bacon requirements from Canada for 1945 are expected to total at least 600,000,000 pounds but more will be taken if available. To supply exports in this volume, Canadian farmers must market about as many hogs in 1945 as in 1944, if domestic consumption of pork products remains at 1944 levels. The assurance of a continuing market in 1946 will also serve as a guide in planning pig crops for the fall of 1945 and the spring of 1946.

TABLE 11.—PORK PRODUCTS: PRODUCTION FROM INSPECTED SLAUGHTERINGS, SUPPLIES AND DISTRIBUTION
(Carcass Basis)

	Unit	1936-40 Average	1943	1944 Preliminary	1945 Recommended
Inspected slaughterings.....	000 hd.	3,917	7,174	8,766	8,766
Average carcass weight ¹	lb.	149	169.5	165.0	162.0
Total carcass weight ²	000 lb.	565,749	1,179,747	1,402,998	1,377,400
Production—					
Bacon and pork.....	000 lb.	445,059	948,684	1,118,998	1,096,977
Lard.....	000 lb.	55,000	100,000	125,000	124,000
Total Available Supply³					
Bacon and pork.....	000 lb.	454,180	920,476	1,165,202	1,096,977
Lard.....	000 lb.	54,776	97,375	122,000	124,000
For Domestic Use⁴					
Bacon and pork.....	000 lb.	228,200	284,075	424,902	424,902
Lard.....	000 lb.	37,507	96,641	87,000	95,000
For Export Canning or Stockpiling—					
Bacon and pork.....	000 lb.	225,980	636,401	740,300	672,075
Lard.....	000 lb.	17,269	734	35,000	29,000

¹ Warm dressed basis including head, feet, leaf lard, kidney and kidney fats.

² Chilled basis.

³ Adjustment made for imports and storage stocks.

⁴ Includes both civilian and priority users.

TABLE 12.—HOGS: MARKETINGS BY PROVINCE OF ORIGIN
WITH RECOMMENDATIONS FOR 1945

	1936-40 Average	1943	1944 ¹	1945	1945 of
					%
CANADA	4,038,038	7,149,860	8,860,000	8,860,000	100
Prince Edward Island.....	46,275	60,121	62,000	.....	.....
Nova Scotia.....	5,869	10,309	27,000	.....	.....
New Brunswick.....	23,965	29,612	51,000	.....	.....
Quebec.....	347,712	437,001	745,000	.....	.....
Ontario.....	1,772,287	2,029,380	2,125,000	.....	.....
Manitoba.....	322,312	755,206	880,000	.....	.....
Saskatchewan.....	463,603	1,409,038	1,975,000	.....	.....
Alberta.....	1,054,762	2,392,385	2,950,000	.....	.....
British Columbia.....	1,253	26,808	45,900	.....	.....

¹Preliminary.

Beef Cattle.—Although inspected slaughterings of cattle in 1943 were larger than any previous year, a further substantial increase occurred in 1944, when slaughterings in inspected plants totalled approximately 1,354,000 head, compared with 1,021,000 the previous year. In both years, exports of live beef cattle were negligible. Although the average dressed weight of beef carcasses appears to be tapering off somewhat from the comparatively high figures maintained for a number of earlier months, the average for 1944 was 502 pounds.

This is a little lower than the 509 pound average in 1943, but substantially heavier than pre-war levels. The estimated production of inspected beef in 1944, on a carcass basis, is placed at 659 million pounds. With the addition of an estimated production from non-inspected channels of 288 million pounds and with adjustments for stock changes, the total supply of beef in 1944 was 968 million pounds (table 9).

Under arrangements completed in 1943 when the Bacon Board was reconstituted as the Meat Board, surplus beef is being exported to the United Kingdom in frozen carcass or boneless form. Of the total supply of 655 million pounds of inspected beef in 1944, approximately 515 million pounds is shown in table 13 as disappearing into domestic channels for civilian or priority use, with the balance of 166 million pounds, the equivalent of about 330,000 cattle, available for export. The estimated 288 million pounds from non-inspected sources is entirely for civilian use.

On the basis of the present record cattle population, it is estimated that inspected slaughterings of cattle in 1945 may reach 1,450,000 head, or about 100,000 head more than in 1944. A decrease of about 12 pounds per carcass has been assumed in average dressed weights for 1945 compared with 1944 but the estimated increase in inspected slaughter would result in a total supply of 689 million pounds of carcass beef, or 30 million pounds more than in 1944. While there is assurance of a combined export and domestic outlet for this record quantity of beef in 1945, and the export agreement has been extended to the end of 1946, further expansion in the production of beef cattle is not recommended.

TABLE 13.—BEEF: PRODUCTION FROM INSPECTED SLAUGHTERINGS, SUPPLIES AND DISTRIBUTION
(Carcass Basis)

—	Unit	1936-40 Average	1943	1944 Preliminary	1945 Estimated
Inspected slaughterings.....	000 hd.	893	1,021	1,354	1,450
Average carcass weight ¹	lb.	462	509	502	490
Total carcass weight ²	000 lb.	400,064	503,353	659,317	689,185
Total available supply ³	000 lb.	426,041	508,673	681,373	689,185
For domestic use ⁴	000 lb.	417,118	495,124	515,078	515,078
Available for export canning or stockpiling	000 lb.	8,923	13,549	166,295	174,107

¹ Warm dressed basis not including hide, head, tail, feet, kidneys and kidney fats.

² Chilled basis.

³ Adjustment made for imports and storage stocks.

⁴ Includes both civilian and priority users.

TABLE 14.—CATTLE: MARKETINGS¹ BY PROVINCE OR ORIGIN WITH ESTIMATE FOR 1945

—	1936-40 Average	1943	1944 ²	1945	1945 of
					1944
CANADA.....	1,008,874	1,044,774	1,375,000	1,480,000	107
Prince Edward Island.....	3,874	3,908	4,000	4,300	108
Nova Scotia.....	1,394	986	1,500	1,600	107
New Brunswick.....	2,245	1,884	2,000	2,100	105
Quebec.....	41,395	44,765	46,500	50,000	108
Ontario.....	422,932	353,307	425,000	446,000	105
Manitoba.....	120,449	120,922	156,000	168,000	108
Saskatchewan.....	177,835	224,706	328,000	360,000	110
Alberta.....	234,547	251,078	360,000	396,000	110
British Columbia.....	4,203	43,218	52,000	52,000	100

¹ Commercial marketings less stockers and feeders, stock cows and heifers, milkers and springers, and direct exports of dairy cattle.

² Preliminary.

Veal Calves.—Slaughterings of veal calves have been comparatively light during the war years, reflecting the stocking-up which has been in progress on the part of both dairymen and beef producers. In 1943 inspected slaughterings of calves totalled only 594,000 but in 1944 the total for the year was about 656,000 head. Although the average dressed weight was about 5 pounds under the 1943 figure of 109 pounds, the total production of veal from inspected slaughterings in 1944 showed an increase of about 4 million pounds from a year ago. The total supply of veal, taking into consideration non-inspected production and stock changes, (table 9) was approximately 120 million pounds. This quantity, with the exception of 2.2 million pounds for priority users, was available for domestic consumption.

It is anticipated that inspected slaughterings of veal calves will continue to show a moderate uptrend in 1945, due to the relatively large numbers of dairy and beef cows on farms, the progress already made in herd replacement and a possible tendency to limit further herd expansion. The tentative estimate of 730,000 calves available for slaughter in inspected plants in 1945 would result in an increase of about 4 million pounds in the supply of dressed veal. Assuming no change in domestic requirements over 1944 figures, this would leave a surplus of about 5 million pounds available for export or domestic use.

TABLE 15.—VEAL: PRODUCTION FROM INSPECTED SLAUGHTERINGS, SUPPLIES AND DISTRIBUTION
(Carcass basis)

	Unit	1936-40 Average	1943	1944 Preliminary	1945 Estimated
Inspected slaughterings.....	000 hd.	673	594	656	730
Average carcass weight ¹	lb.	94	109	105	100
Total carcass weight ²	000 lb.	61,243	62,964	66,800	70,800
Total available supply ³	000 lb.	60,099	59,827	65,800	70,800
For domestic use ⁴	000 lb.	60,099	59,827	65,800	65,800
For export canning or stockpiling.....	000 lb.	.....	.....	.....	5,000

¹ Warm dressed basis, not including skin and head but including kidney fats.

² Chilled basis.

³ Adjustment made for imports and storage stocks.

⁴ Includes both civilian and priority users.

TABLE 16.—CALVES: MARKETINGS BY PROVINCE OF ORIGIN WITH ESTIMATE FOR 1945

	1936-40 Average	1943	1944 ¹	1945	1945 of 1944
					%
CANADA	780,342	643,569	698,500	766,000	100
Prince Edward Island.....	4,059	4,933	4,500	4,500	100
Nova Scotia.....	2,137	1,639	1,000	1,000	100
New Brunswick.....	12,366	14,107	11,000	11,000	100
Quebec.....	152,289	182,545	190,000	209,000	110
Ontario.....	291,418	216,319	230,000	253,000	110
Manitoba.....	102,630	80,337	90,000	99,000	110
Saskatchewan.....	97,523	63,544	80,000	88,000	110
Alberta.....	117,219	74,502	85,000	93,500	110
British Columbia.....	701	5,643	7,000	7,000	100

¹ Preliminary.

Sheep and Lambs.—Inspected slaughterings of sheep and lambs in Canada in 1944 totalled about 959,000 head. This is a considerably larger quantity than for any other recent year, and in addition approximately 135,000 live sheep and lambs were exported to the United States during the final quarter

of the year. The output of mutton and lamb from inspected establishments in 1944 is estimated at 41 million pounds, or about 3 million pounds greater than in 1943. When allowance is made for non-inspected output and stock changes (table 9) the total supply of mutton and lamb in 1944 was 64·5 million pounds. This quantity was all available for domestic civilian use, with the exception of 1·7 million pounds for export and 4·3 million pounds for priority use.

Considering the fact that numbers of sheep on farms and ranches are at comparatively high levels, commercial marketings in 1945 may be maintained at about the same level as in 1944, although the continuance of heavy export shipments of live lambs during the next twelve months would materially reduce the numbers available for slaughter in Canada. Taking these possibilities into consideration, no large surplus of mutton and lamb above domestic requirements seems likely to materialize in 1945.

TABLE 17.—MUTTON AND LAMB: PRODUCTION FROM INSPECTED SLAUGHTERINGS SUPPLIES AND DISTRIBUTION
(Carcass basis)

—	Unit	1936-40 Average	1943	1944 Preliminary	1945 Estimated
Inspected slaughterings	000 hd.	800	889	959	1,000
Average carcass weight ¹	lb.	42	44	43	42
Total carcass weight ²	000 lb.	32,800	38,227	41,230	40,700
Total available supply ³	000 lb.	33,191	33,949	41,230	40,700
For domestic use ⁴	000 lb.	32,970	33,058	39,530	40,000
For export canning or stockpiling.....	000 lb.	221	891	1,700	700

¹ Warm dressed basis, not including head and skin but including kidney fats.

² Chilled basis.

³ Adjustment made for imports and storage stocks.

⁴ Includes both civilian and priority users.

TABLE 18.—SHEEP AND LAMBS: MARKETINGS BY PROVINCE OF ORIGIN WITH ESTIMATE FOR 1945

—	1936-40 Average	1943	1944 ¹	1945	1945
					%
CANADA	777,109	887,199	1,100,000	1,137,500	103
Prince Edward Island.....	8,271	13,064	14,000	14,000	100
Nova Scotia.....	1,016	4,212	5,000	5,000	100
New Brunswick.....	7,451	10,557	11,500	11,500	100
Quebec.....	126,156	164,617	192,500	204,000	106
Ontario.....	239,257	236,170	292,000	292,000	100
Manitoba.....	88,320	96,728	120,000	120,000	100
Saskatchewan.....	82,526	104,399	135,000	144,000	107
Alberta.....	216,478	210,654	280,000	297,000	106
British Columbia.....	7,633	46,798	50,000	50,000	100

¹ Preliminary.

DAIRY PRODUCTS

Production of milk in 1944 was maintained at the level of production of 1942 and 1943 and estimates for the year place the production at approximately 17·6 billion pounds.

In reviewing the prospects for 1945, it has been assumed that quantities of milk consumed on farms, fed to stock, used for concentrated milk products and used for dairy butter will be approximately the same as 1944. While consumption of fluid milk in Canada reached a high level in 1944, it is expected that consumption in 1945 will be 3 to 5 per cent higher than in 1944. If the

recommendations set forth for butter, cheese and fluid milk are to be achieved, total milk production in 1945 will have to be approximately 500 million pounds higher than in 1944.

Creamery Butter.—The recommended production for creamery butter has been computed on the basis of a year-round seven ounce per week ration for domestic consumption and a small increase for other essential requirements but makes no allowance for replenishments of butter stocks at the end of 1945.

TABLE 19.—CREAMERY BUTTER PRODUCTION AND RECOMMENDATIONS FOR 1945

	1936-40 Average	1943	1944 ¹	1945	1945 of 1944
CANADA	259,535	312,309	(000 lb.) 298,005	310,000	% 104
Prince Edward Island.....	2,136	4,302	4,010	4,050	100
Nova Scotia.....	5,980	7,660	7,140	7,100	100
New Brunswick.....	3,912	7,017	7,050	7,000	100
Quebec.....	76,625	85,532	81,977	86,500	105
Ontario.....	86,229	82,024	74,803	80,500	108
Manitoba.....	25,374	33,922	31,572	31,800	101
Saskatchewan.....	24,980	47,721	48,227	48,700	101
Alberta.....	28,521	38,652	37,783	38,450	102
British Columbia.....	5,778	4,871	5,687	5,900	104

¹ Preliminary.

THE SUPPLY SITUATION

	1936-40 Average	1943	1944 Prelimi- nary	1945 Recom- mended
Creamery Butter—				
Stocks at beginning of year.....	36,680	21,859	46,503	40,790
Production.....	259,539	312,709	298,252	310,000
Imports.....	1,085			
Total Supplies.....	293,009	333,568	344,755	350,790
Exports.....	5,371	9,409	4,727	5,500
Available for domestic use:				
Civilian.....	253,844	252,276	274,003	279,500
Non-civilian.....		25,380	25,235	25,000

Production of creamery butter for Quebec has been placed at 86.5 million pounds or slightly more than the amount that was produced in this province in 1943. The recommended output for Ontario has been increased to 80.5 million pounds which although 8 per cent higher than 1944 is about 1.5 million pounds less than 1943. It is felt that production in the Prairie Provinces has reached a peak and the recommendations for 1945 for Alberta, Saskatchewan, and Manitoba are only slightly more than the estimated production for 1944. The level suggested for British Columbia represents an increase of 300,000 pounds over the 1944 production. It is suggested that the Maritime Provinces maintain production of creamery butter at 1944 levels.

Cheddar Cheese.—While the production of cheddar cheese in 1944 exceeded the objective, the increased amount allowed the domestic market to meet normal consumer demand and previously depleted stocks resulted in a reduced carry-over for export at the end of 1944. Canada has entered into a contract with the British Ministry of Food which calls for delivery of 125 million pounds of cheese for each of the two years ending March 31, 1945 and March 31, 1946. The recommended production for Canada for 1945 has been set at 178 million pounds and with favourable conditions it is expected this total will be reached.

TABLE 20.—CHEDDAR CHEESE PRODUCTION AND RECOMMENDATIONS FOR 1945

—	1936-40 Average	1943	1944 ¹	1945	1945 of 1944
	No.	No.	No.	No.	%
CANADA	128,907	164,553	178,230	178,000	100
Prince Edward Island.....	468	781	1,071	1,050	100
Nova Scotia.....	551	971	1,145	1,100	100
New Brunswick.....	29,495	48,580	61,247	54,850	90
Quebec.....	91,978	106,132	104,665	112,000	106
Ontario.....	3,290	3,360	3,980	3,950	100
Manitoba.....	402	445	590	550	100
Saskatchewan.....	2,129	2,563	3,700	3,700	100
Alberta.....	594	718	835	800	100
British Columbia.....					

¹ Preliminary.

THE SUPPLY SITUATION

—	1936-40 Average	1943	1944	1945
			Prelimi-	Recom-
(000 lb.)				
Cheddar Cheese—				
Stocks at beginning of year.....	26,892	56,261	43,414	38,414
Production.....	128,907	164,553	178,230	177,000
Total Supplies.....	157,080	221,349	221,644	213,414
Exports.....	89,882	129,741	131,389	127,000
Available for domestic use:				
Civilian.....	40,203	42,227	42,240	45,000
Non-civilian and priorities.....		5,967	7,670	7,670

To achieve the production of 178 million pounds for Canada, all provinces with the exception of Ontario and Quebec should maintain their production as of 1944. In 1944 cheese production in Quebec reached the highest level since 1918 and in view of the increase recommended for creamery butter, the recommendation for cheese has been placed at 6.2 million pounds less than the 1944 production. However, if Quebec increases its production of butter in 1945 and at the same time maintains cheese production at 1944 levels, a market is available for all cheese that can be produced. In 1944 production of cheese in Ontario totalled 103.7 million pounds in spite of severe summer drought conditions in the main cheese producing areas. The recommendation for Ontario for 1945, while 6.0 per cent higher than 1944, is 16 million pounds less than was produced in 1942.

Concentrated Milk Products.—Production of evaporated milk in 1944 totalled approximately 180 million pounds and while stocks at the beginning of 1945 will be high in relation to past years, there will be a market for all the evaporated milk that can be produced in 1945. Maintenance of production at 1944 levels is recommended for 1945. Condensed milk production in 1944 was approximately 33.4 million pounds and the recommendations for 1945 call for a decrease of 3.4 million pounds. Production of whole milk and skim-milk powder in 1945 should be maintained at present levels.

TABLE 21.—PRODUCTION OF CONCENTRATED MILK PRODUCTS AND RECOMMENDATIONS FOR 1945
(000 lb.)

—	Average	1943	1944 ¹	1945
Evaporated whole milk.....	104,109	178,153	179,153	179,570
Condensed whole milk.....	10,166	26,860	33,444	30,000
Whole milk powder.....	5,735	16,665	16,617	17,000
Skim-milk powder.....	22,501	23,205	29,939	29,939

¹ Preliminary.

EGGS AND POULTRY

Eggs.—A review of all available information indicates a total supply of some 382 million dozen of eggs in 1944. Purchases on the part of the Special Products Board to the end of October were 80 million dozen, some 46 million dozen greater than for the whole year of 1943.

It is estimated that sales of baby chicks in 1944 were up 20 per cent compared with 1943. It is on this figure that prospective production for 1945 is largely based. Some interesting deductions may be drawn from an analysis of these figures. For instance, there was a big increase in 1944 in the sales of early chicks and a noticeable falling off in sales of June, July and August chicks. This should normally make for a greater movement of earlier pullets and a longer maintained egg production. The most striking feature is where these increases took place. For instance the increase was most noticeable in the Prairie Provinces ranging from 37 to 57 per cent higher. Ontario and British Columbia increased nominally, with somewhat lesser increases in the Maritime Provinces. Prince Edward Island was the only province that showed a falling off. In arriving at the figures of prospective production by provinces appearing in the following table, an endeavour has been made to adjust estimated production in those provinces on the basis of the interprovincial movement of chicks as well as those hatched within a province.

TABLE 22.—EGG PRODUCTION* AND ESTIMATE FOR 1945

	1936-40 Average	1943	1944 ¹	1945	1945 of 1944
					%
CANADA	236,895	332,527	374,772	397,263	106
Prince Edward Island.....	3,305	4,982	5,783	5,505	95
Nova Scotia.....	5,100	8,839	10,751	11,582	108
New Brunswick.....	5,085	7,301	8,898	9,526	107
Quebec.....	36,446	45,067	55,843	58,943	106
Ontario.....	84,770	107,758	110,718	115,951	105
Manitoba.....	19,789	34,878	37,227	38,297	103
Saskatchewan.....	36,952	58,482	71,975	80,504	112
Alberta.....	26,409	38,502	43,405	45,241	104
British Columbia.....	20,039	26,718	30,172	30,714	102

¹Preliminary

*Production figures given include the urban flock production estimated as follows for the whole of Canada: 1936-1939, 15,000,000 dozen; 1940, 15,081,000 (census); 1943, 17,500,000; and 1944 and 1945, 20,000,000.

THE SUPPLY SITUATION

	1936-40 Average	1943	1944	1945 Estimated
			Prelimi- nary	
Stocks at beginning of year.....		(000 dozen)		
Production.....	4,116	5,366	7,092	7,792
Farm.....	214,300	304,316	355,000	377,000
Urban.....	15,016	17,500	20,000	20,000
Total.....	229,316	321,816	375,000	397,000
Imports.....	316	393	400	400
Total supply.....	233,748	327,575	382,492	405,192
Domestic use:				
Civilian.....		260,572	271,000	271,000
Non-civilian.....		18,800	22,000	22,000
Total.....	226,132	279,372	293,000	293,000
Stocks at end of year.....	4,235	7,092	7,792	7,192
Available for export.....	3,381	41,111	81,700	105,000

TABLE 23.—SPECIAL PRODUCTS BOARD EGG PURCHASES

—	1941	1942	1943	1944 Prelimi- nary	1945 Estimated
(cases of 30 dozen)					
CANADA	511,220	1,251,198	1,121,427	2,664,325	3,487,000
Maritime provinces.....	9,589	11,966	8,560	22,984 ¹	40,000 ²
Quebec.....	39,001	27,098	32,938	153,484	317,000
Ontario.....	192,283	507,873	460,651	1,033,854	1,140,000
Manitoba.....	89,266	190,932	146,250	318,929	465,000
Saskatchewan.....	68,992	279,147	271,617	543,016	680,000
Alberta.....	64,136	201,584	198,291	401,853	575,000
British Columbia.....	47,953	32,598	3,120	190,225	290,000

¹ Includes 19,664 cases from Prince Edward Island and 3,320 cases from New Brunswick.

² Includes 21,000 Prince Edward Island, 14,000 New Brunswick, and 5,000 Nova Scotia.

The British Ministry of Food has agreed to indicate shortly its requirements for 1946 so that any adjustment upward or downward that may be necessary may be made known before the Canadian hatching season of 1945. However, present indications are that further expansion of the poultry industry is not needed.

Under the two-year contract for eggs with the British Ministry of Food covering the years 1944 and 1945, the Ministry undertook, in addition to a specified minimum of 7,500 long tons of dried eggs (approximately 50 million dozen) with the option of taking 600,000 cases of eggs from storage in the fall of 1945, to use its best endeavours to accept such additional quantities as might be available. The Ministry has advised that it wishes to take up its option of 600,000 cases of storage eggs for shipment in the fall of 1945 and has also asked that a similar quantity of 600,000 cases be shipped as fresh eggs in the winter and spring months of 1944-45 apportioned as follows: 200,000 cases each in January and February and 100,000 cases each in March and April. It has also asked that all available shell eggs in the Trades A Large and A Medium available up to the end of December 1944 be shipped in the shell and has asked for an indication of the probably fresh eggs available from September to December 1945.

Arrangements have been made that the price for shell eggs for export will net the shipper the same as for eggs for drying, namely 35½ cents for A Large, Montreal basis, provision having been made for the additional export costs of new export cases, packing material, wiring, branding, freight, etc. in the price agreed upon with the British Ministry of Food.

Poultry.—Indications are that Canada will have an exportable surplus of poultry meats of between 25,000,000 and 30,000,000 pounds in 1944. The increase in sales of baby chicks has the same general application in poultry as it has in eggs.

Notwithstanding the phenomenal current demand for poultry in 1943, stocks in storage on January 1 and February 1, 1944 were at an all time high, a total in excess of 28 million pounds being recorded on February 1, almost double the pre-war average.

When this information became known, immediate steps were taken to initiate export. The first sale negotiated was to the British Government for 2 million pounds. Attention was next turned to the United States and a quantity in excess of 2 million pounds was delivered to the War Shipping Administration. Following that, negotiations were opened up with the United States Army which has continued to buy currently what is offered.

TABLE 24.—POULTRY MEAT PRODUCTION AND ESTIMATE FOR 1945

	1936-40 Average	1943	1944 ¹	1945	1945 of 1944
	(000 pounds)				%
CANADA	202,448	263,432	289,173	292,000	101
Prince Edward Island.....	2,816	3,486	3,798	3,800	100
Nova Scotia.....	3,608	5,033	5,874	6,000	102
New Brunswick.....	4,035	5,097	5,622	5,900	105
Quebec.....	24,426	30,590	37,656	38,000	101
Ontario.....	75,068	87,437	86,194	86,500	100
Manitoba.....	19,964	30,609	31,557	32,000	101
Saskatchewan.....	33,656	54,823	67,401	67,800	101
Alberta.....	26,485	35,068	38,441	39,000	101
British Columbia.....	12,390	11,289	12,630	13,000	103

¹ Preliminary.NOTE: Figures by provinces do not include urban production:
1943—16,000 pounds; 1944—1945—18,000 pounds.

POULTRY SUPPLY SITUATION

	1936-40 Average	1943	1944 Prelimi- nary	1945 Estimated
	(000 pounds)			
Stocks at beginning of year.....	12,993	14,642	25,240	12,000
Production—				
Farm.....	202,448	263,432	289,173	292,000
Urban.....	14,895	16,000	18,000	18,000
Total.....	230,336	294,074	332,413	322,000
Exports.....	5,163	836	35,000	25,000
Available for domestic use.....	225,173	293,238	297,413	297,000
Stocks at end of year.....	13,097	25,240	12,000	12,000
Domestic disappearance.....	212,076	267,998	285,413	285,000

There has also been during the year quite a substantial movement of live poultry to the United States and also Grade C poultry negotiated privately under export permit. During the year Newfoundland increased its essentially requirements for poultry from 400,000 pounds to 1 million pounds.

Turkeys.—Turkey production in Canada showed a small increase over 1943. This increase was most pronounced in British Columbia, wet weather conditions on the Prairies having affected adversely what otherwise might have been a reasonably substantial increase in that area.

Certain changes in the ceiling prices as between Eastern Canada and Western Canada will also tend to more equitable distribution of turkeys than was the case in 1943. The demand for turkeys for export is very strong and it is hoped that when the full extent of the supplies are known that at least a small quantity will be available to supply this demand.

FRUIT

Increased production of domestic tree fruits and grapes, together with heavier imports of citrus, resulted in a somewhat larger fruit supply in 1944 than in 1943. Small fruits, however, particularly strawberries, were in short supply. Probable domestic production in 1945, with the exception of apples and apricots, indicates crops about equal to or greater than those of 1944.

Prospective strawberry production in 1945, while considerably larger than in 1944, still will be insufficient to meet demands for this fruit. Imports of citrus may be expected to continue in adequate volume although in all probability recent hurricane damage in Florida will reduce the volume of grapefruit available from that state.

Apples.—Probable apple production in 1945 of 14,000,000 bushels is about 15 per cent smaller than that of 1944 and approximately equal to the 1936-40 average of 14,442,000 bushels. The major decrease is anticipated in British Columbia where a crop slightly smaller than the 5-year average is forecast as compared with the all-time record harvest of 7,500,000 bushels in 1944. A somewhat smaller crop is also expected in Nova Scotia and there are downward revisions in probable production figures for New Brunswick and Ontario as compared with 1944. Quebec is the only province in which an increase is expected over 1944.

TABLE 25.—APPLE PRODUCTION¹ AND ESTIMATES FOR 1945

—	1936-40 Average	1943	1944	1945	1945 of 1944
	(000 Bus.)				%
CANADA	14,442	12,892	16,487	14,000	84.9
Nova Scotia.....	5,481	4,846	5,406	4,850	89.7
New Brunswick.....	153	330	270	250	92.5
Quebec.....	630	911	900	1,000	111.1
Ontario.....	2,453	2,372	2,411	2,400	99.5
British Columbia.....	5,725	4,433	7,500	5,500	73.3

THE SUPPLY SITUATION¹

—	1936-40 Average	1943	1944	1945
	(000 Bus.)			
Production.....	14,442	12,892	16,487	.....
Imports.....	190	54	13	.....
Total Supplies.....	14,632	12,946	16,500	.....
Exports.....	4,957	998	3,000	.....
Processed.....	3,267	4,542	5,500	.....
Available for domestic use.....	6,408	7,406	8,000	.....

¹ Crop years July-June.

Pears.—The production of pears in Canada in 1945 estimated at 780,000 bushels will, if attained, result in an increase of 8 per cent over 1944 production. The British Columbia crop is likely to be about 5 per cent smaller than the record harvest of 1944 but a substantial increase is expected in Ontario over the sub-normal 1944 crop.

TABLE 26.—PEAR PRODUCTION¹ AND ESTIMATES FOR 1945

—	1936-40 Average	1943	1944	1945	1945 of 1944
	(000 Bus.)				%
CANADA	539	637	720	780	108.3
Nova Scotia.....	20	20	30	30	100.0
Ontario.....	240	334	289	350	130.1
British Columbia.....	280	283	421	400	95.0

THE SUPPLY SITUATION

	1936-40 Average	1943	1944	1945
(000 Bus.)				
Production.....	539	637	720	.....
Imports.....	376	132	70	.....
Total Supplies.....	915	769	790	.....
Exports.....	63	.....	.....	.....
Processed.....	243	247	290	.....
Available for domestic use.....	609	522	500	.....

¹ Calendar Years.

Cherries.—The Canadian cherry crop for 1945 is estimated at 300,000 bushels, an increase of about 40 per cent over the 1944 crop of 214,000 bushels. The expected increase will be confined entirely to Ontario where prospective production of 200,000 bushels is 89 per cent larger than the light 1944 crop of 106,000 bushels. A decrease of about 8 per cent from the record crop of 1944 is expected in British Columbia.

TABLE 27.—CHERRY PRODUCTION¹ AND ESTIMATES FOR 1945

	1936-40 Average	1943	1944	1945	1945 of 1944
(000 Bus.)					
CANADA	186	217	214	300	140.2
Ontario.....	118	112	106	200	188.6
British Columbia.....	68	104	108	100	92.5

THE SUPPLY SITUATION

	1936-40 Average	1943	1944	1945
(000 Bus.)				
Production.....	186	217	214	.....
Imports.....	19	17	14	.....
Total Supplies.....	205	234	228	.....
Exports.....	.....	.....	.....	.....
Processed.....	94	100	128	.....
Available for domestic use.....	111	134	100	.....

¹ Calendar Years.

Plums and Prunes.—The probable production of plums and prunes in Canada in 1945 is estimated at 435,000 bushels or about 9 per cent larger than 1944. A substantial increase of about 30 per cent is looked for in Ontario but this is partially offset by a decrease of 2 per cent from the heavy crop of 1944 in British Columbia.

TABLE 28.—PLUM AND PRUNE PRODUCTION¹ AND ESTIMATES FOR 1945

—	1936-40 Average	1943	1944	1945	1945
					(000 Bus.) %
CANADA	216	363	400	435	103.7
Nova Scotia.....	10	10	11	10	90.9
Ontario.....	60	131	134	175	130.5
British Columbia.....	145	222	255	250	98.0

THE SUPPLY SITUATION

—	1936-40 Average	1943	1944	1945	1945
					(000 Bus.) %
Production.....	216	363	400	.....	.....
Imports.....	158	100	150	.....	.....
Total Supplies.....	374	463	550	.....	.....
Exports.....	13	.....	.....	.....	.....
Processed.....	66	123	200	.....	.....
Available for domestic use.....	295	340	350	.....	.....

¹ Calendar Years.

Peaches.—Peach production in Canada for 1945 is estimated at 1,700,000 bushels or about 2 per cent less than that of 1944. The Ontario crop is expected to be slightly larger than in 1944 but it is not likely that British Columbia will attain the record figure of 560,000 bushels in 1944.

TABLE 29.—PEACH PRODUCTION¹ AND ESTIMATES FOR 1945

—	1936-40 Average	1943	1944	1945	1945
					(000 Bus.) %
CANADA	807	633	1,734	1,700	98.0
Ontario.....	674	440	1,174	1,200	102.2
British Columbia.....	133	193	560	500	89.2

THE SUPPLY SITUATION

—	1936-40 Average	1943	1944	1945	1945
					(000 Bus.) %
Production.....	807	633	1,734	1,700	98.0
Imports.....	169	259	124	.....	.....
Total Supplies.....	976	892	1,858	.....	.....
Exports.....	2	.....	.....	.....	.....
Processed.....	261	170	300	.....	.....
Available for domestic use.....	713	722	1,558	.....	.....

¹ Calendar Years.

Apricots.—Commercial apricot production is confined to British Columbia and it is not anticipated that the phenomenal yield of 1944 will be repeated in 1945. Production has been placed at 70,000 bushels, 57 per cent of the 1944 figure of 122,000 bushels.

TABLE 30.—APRICOT PRODUCTION¹ AND ESTIMATE FOR 1945

—	1936-40 Average	1943	1944	1945	1945 of 1944
	(000 Bus.)				%
CANADA	46	25	122	70	57.3
British Columbia.....	46	25	122	70	57.3

THE SUPPLY SITUATION

—	1936-40 Average	1943	1944	1945	%
	(000 Bus.)				
Production.....	46	25	122	70	.....
Imports.....	66	92	46	.....	.....
Total Supplies.....	112	117	168	.....	.....
Exports.....	7	11	55	.....	.....
Processed.....	105	106	113	.....	.....
Available for domestic use.....	105	106	113	.....	.....

¹ Calendar Years.

Strawberries.—An expected strawberry crop of 12,500,000 quarts in 1945, while 31 per cent above that of 1944, still will be insufficient to meet requirements. Substantial increases are forecast in the Maritimes and Quebec over the partial crop failures in 1944 and some acreage increases may result in larger crops in Ontario and British Columbia.

TABLE 31.—STRAWBERRY PRODUCTION¹ AND ESTIMATES FOR 1945

—	1936-40 Average	1943	1944	1945	1945 of 1944
	(000 Qts.)				%
CANADA	25,091	16,082	9,516	12,500	131.3
Nova Scotia.....	1,143	1,130	527	1,000	189.7
New Brunswick.....	1,385	1,100	412	1,000	242.7
Quebec.....	6,508	5,552	2,044	3,000	146.7
Ontario.....	8,126	5,972	4,643	5,000	107.6
British Columbia.....	7,949	2,328	1,890	2,500	132.2

THE SUPPLY SITUATION

—	1936-40 Average	1943	1944	1945	%
	(000 Qts.)				
Production.....	25,091	16,082	9,516	.....	.....
Imports.....	4,165	2,002	584	.....	.....
Total Supplies.....	29,256	18,084	10,100	.....	.....
Exports.....	2,072	138	50	.....	.....
Processed.....	7,181	3,104	3,200	.....	.....
Available for domestic use.....	20,003	14,842	6,850	.....	.....

¹ Calendar Years.

Raspberries.—A raspberry crop of 9,500,000 quarts is estimated for 1945 or about 15 per cent larger than the comparatively small 1944 crop of 8,243,000 quarts. Increases are probable in all provinces with the exception of New Brunswick and Ontario where production is expected to be about the same as in 1944.

TABLE 32.—RASPBERRY PRODUCTION¹ AND ESTIMATES FOR 1945

—	1936-40 Average	1943	1944	1945	1945 of 1944
(000 Qts.)					
CANADA	9,909	9,521	8,243	9,500	115.2
Nova Scotia.....	75	105	52	75	144.2
New Brunswick.....	48	60	50	50	100.0
Quebec.....	2,487	866	866	1,375	158.7
Ontario.....	4,578	4,998	4,492	4,500	100.1
British Columbia.....	2,721	3,492	2,783	3,500	125.7

THE SUPPLY SITUATION

—	1936-40 Average	1943	1944	1945
(000 Qts.)				
Production.....	9,909	9,521	8,243	.....
Imports.....	195	5	1	.....
Total Supplies.....	10,104	9,526	8,244	.....
Exports.....	.....	.....	.....	.....
Processed.....	3,200	3,766	4,244	.....
Available for domestic use.....	6,904	5,760	4,000	.....

¹ Calendar Years.

Grapes.—A slight reduction is likely in 1945 grape production due to a probable smaller production in Ontario where the bulk of the Canadian crop is produced. A slight increase is expected in the relatively small British Columbia crop.

TABLE 33.—GRAPE PRODUCTION¹ AND ESTIMATES FOR 1945

—	1936-40 Average	1943	1944	1945	1945 of 1944
(000 Lbs.)					
CANADA	44,319	53,924	60,043	58,000	96.5
Ontario.....	42,236	52,000	57,150	55,000	96.2
British Columbia.....	2,084	1,924	2,893	3,000	103.6

THE SUPPLY SITUATION

—	1936-40 Average	1943	1944	1945
(000 Lbs.)				
Production.....	44,319	53,924	60,043	.....
Imports.....	32,765	46,124	40,000	.....
Total Supplies.....	77,084	100,048	100,043	.....
Exports.....	.....	.....	.....	.....
Processed.....	29,597	30,601	30,043	.....
Available for domestic use.....	47,487	69,447	70,000	.....

¹ Calendar Years.

Loganberries.—Loganberry production in British Columbia, in 1945, the only province in which this fruit is produced commercially, is expected to be but slightly higher than the 1944 crop and substantially less than the 1936-40 average.

TABLE 34.—LOGANBERRY PRODUCTION¹ AND ESTIMATES FOR 1945

—	1936-40 Average	1943	1944	1945	1945 of 1944
(000 Lbs.)					
CANADA	1,912	1,313	1,278	1,300	101.7
British Columbia.....	1,912	1,313	1,278	1,300	101.7

THE SUPPLY SITUATION

—	1936-40 Average	1943	1944	1945
(000 Lbs.)				
Production.....	1,912	1,313	1,278	.....
Imports ².....	.....	.....	.....	.....
Total Supplies.....	1,912	1,313	1,278	.....
Exports.....	.....	.....	.....	.....
Processed.....	1,802	1,145	1,128	.....
Available for domestic use.....	110	168	150	.....

¹ Calendar Years.² Included under Raspberries.TABLE 35.—SUMMARY OF THE FRUIT SUPPLY SITUATION FOR DOMESTIC AND CITRUS FRUITS¹
(000 Lbs.)

—	1936-40 Average	1943	1944	1945
Total domestic production.....	829,571	761,130	984,935	881,050
Net fresh consumption ²	510,899	522,084	574,800	.....
Citrus imports.....	300,847	488,317	560,000	.....
Oranges.....	215,519	369,052	440,000	.....
Grapefruit.....	55,799	84,311	80,000	.....
Lemons.....	29,529	34,954	40,000	.....
Total supplies.....	811,746	1,010,401	1,134,800	.....

¹ Calendar Years.² Total domestic production plus imports less processing and fresh exports.

NOTE.—Fruit converted to poundage basis as follows: Apples, 45 pounds per bushel; other tree fruits, 50 pounds; strawberries and raspberries 1½ pounds per quart; oranges, 35 pounds per cubic foot; lemons, 76 pounds per box.

VEGETABLES AND CANNING CROPS

Potatoes.—The desirable 1945 Canadian crop of potatoes is 72,000,000 bushels, a supply which will provide for all demands without giving rise to problems of surpluses or shortages. A national acreage similar to the average of the five-year period 1936-40 would provide such a crop on the basis of the average yield of 137 bushels per acre obtained in the most recent five years, 1940-44. The recommendation represents a 2 per cent reduction from 1944 acreage. The yield for the earlier five years grouped in the tables is only 125

bushels per acre. It is believed, however, that although weather has been favourable in several of the most recent seasons, nevertheless cultural practices have improved, as exemplified by use of better yielding varieties, more fertilizer and more certified seed.

The crop of 1944 will be disposed of only by considerable increases in exports of both table stock and certified seed, and by use in dehydration, for which, however, requirements are expected to be less in 1945-46. Even non-civilian requirements are likely to be stabilized at present levels or to decline in the forthcoming year. These considerations point to the need to recommend to growers a slightly smaller acreage and production in 1945.

TABLE 36.—POTATO ACREAGE AND RECOMMENDATION FOR 1945

	5-year Average 1936-40	1943	1944 ¹	1945	1945 of 1944
	acres	acres	acres	acres	%
CANADA	523,600	532,700	534,900	523,600	98
Prince Edward Island.....	36,400	40,500	39,000	.....	.....
Nova Scotia.....	21,600	23,000	25,000	.....	.....
New Brunswick.....	50,200	60,300	66,900	.....	.....
Quebec.....	140,000	168,000	168,900	.....	.....
Ontario.....	146,000	116,000	120,000	.....	.....
Manitoba.....	33,400	28,400	27,800	.....	.....
Saskatchewan.....	48,600	46,500	41,600	.....	.....
Alberta.....	28,300	31,200	28,700	.....	.....
British Columbia.....	18,800	18,800	17,000	.....	.....

¹ Preliminary.

POTATO SUPPLY SITUATION
(YEARS ENDED JULY 31 FOLLOWING)

	5-year average 1936-40	1943	1944 Pre- liminary	1945 Recom- mended
		(000 bu.)		
Stocks at August 1.....	18	52	66	.....
Production.....	65,597	72,568	82,348	72,000
Imports.....	619	390	300 ¹	.....
Total supplies.....	66,234	73,010	82,648	.....
Disposal—				
Seed following year (20 bu. per ac.).....	10,492	10,698	10,472	.....
Processed—Starch and glucose.....	434	743	700 ¹	.....
Dehydration (Incl. export).....		1,016	1,772 ²	.....
Exports—table stock.....	2,446	{1,001	5,000 ¹	.....
certified seed).....		{1,534	2,500 ¹	.....
Shrinkage (20 per cent of crop).....	13,119	14,514	16,470	.....
Available for domestic use	39,743	43,504	46,329	.....

¹ Estimated.

² Special Products Board contracts.

Canning Crops.—The processing acreages of the four subsidized vegetable crops all showed large increases in 1944 over 1943. It is recommended that 1945 plantings should virtually maintain this acreage in the cases of beans and corn and be slightly reduced for peas and tomatoes. The recommended plantings are: beans 7,000 acres, corn 40,000 acres, peas 35,000 acres, tomatoes 35,000 acres representing respectively the following changes from 1944: 1 per cent increase, $\frac{1}{2}$ per cent increase, 6 per cent reduction and 11 per cent reduction.

This is a growing industry, and whilst 1943 yields were known to have been poor, verging on disastrous in some areas, yet the packs for that year compare favourably with pre-war averages when acreages were evidently less. However, the recent apparent scarcities of these products indicate that 1944's doubled pack of peas and the considerably larger bean crops and combined tomato and juice packs will be no more than are required under conditions of current wartime demand. It is known that the 1944 crop of peas was not all successfully processed because of labour shortage and limited plant capacity during a season when too many fields matured simultaneously in many areas. Some tomato canners were forced to stress the packing of juice because the mechanized nature of this process enabled those with juicing equipment to operate in the face of continuing labour shortage. Just as the pea pack contains too high a proportion of low-grade product, so the tomato pack may be overly-weighted with juice in relation to effective consumer demand.

Normal yields on the recommended acreages will make possible packs of all four crops commensurate with anticipated domestic and export requirements, both priority and civilian.

TABLE 37.—CANNING CROP ACREAGES AND RECOMMENDATIONS FOR 1945

	1943	1944	1945	1945 of 1944
	acres	acres	acres	%
BEANS—				
CANADA	5,395	6,919	7,000	101
Maritimes.....	237	238	.....	.....
Quebec.....	3,223	4,393	.....	.....
Ontario.....	1,068	1,141	.....	.....
Prairies.....	335	290	.....	.....
British Columbia.....	532	857	.....	.....
CORN—				
CANADA	29,034	39,855	40,000	100.4
Maritimes.....	.....	.....	.....	.....
Quebec.....	5,147	7,568	.....	.....
Ontario.....	20,657	28,630	.....	.....
Prairies.....	1,840	2,190	.....	.....
British Columbia.....	1,390	1,467	.....	.....
PEAS—				
CANADA	30,632	37,253	35,000	94
Maritimes.....	705	1,460	.....	.....
Quebec.....	7,181	9,091	.....	.....
Ontario.....	17,138	19,940	.....	.....
Prairies.....	2,525	2,890	.....	.....
British Columbia.....	3,083	3,872	.....	.....
TOMATOES—				
CANADA	33,389	39,457	35,000	89
Maritimes.....	.....	.....	.....	.....
Quebec.....	4,232	4,581	.....	.....
Ontario.....	26,592	32,294	.....	.....
Prairies.....	2,565	2,582	.....	.....
British Columbia.....	.....	.....	.....	.....

TABLE 38.—VEGETABLE CANNING CROPS SUPPLY SITUATION
(YEARS ENDED JUNE 30 FOLLOWING; ALL TONNAGE FIGURES ARE FRESH OR FRESH EQUIVALENT)

—	4-year average 1937-40 ¹	1943	1944
BEANS—			
Pack (cases).....	561,052	771,464	1,140,000
	tons	tons	tons
Stocks at July 1.....	722	585	655
Production (deliveries).....	5,579	8,567	14,000
Imports.....			
Total Supplies.....	6,301	9,152	14,000
Exports.....			
Available for domestic use.....	6,301	9,152	14,655
CORN—			
Pack (cases).....	1,309,947	1,160,445	1,860,000
	tons	tons	tons
Stocks at July 1.....	20,000	4,550	3,600
Production (deliveries).....	43,654	45,500	65,000
Imports.....	49 ²		
Total Supplies.....	63,703	50,050	68,600
Exports.....			
Available for domestic use.....	63,703	50,050	68,600
PEAS—			
Pack (cases).....	2,019,367	1,854,634	3,650,000
	tons	tons	tons
Stocks at July 1.....	3,130	3,470	3,540
Production (deliveries).....	22,000	21,000	40,700
Imports.....	9 ²		
Total supplies.....	25,139	24,470	44,240
Exports.....	661 ²	242	200 ³
Available for domestic use.....	24,478	24,228	44,040
TOMATOES—			
Pack—tomatoes (cases).....	2,570,447	1,444,311	2,156,000
juice (cases).....	1,408,949	1,979,497	3,915,000
	tons	tons	tons
Stocks at July 1.....	39,000	21,000	14,000
Production (deliveries).....	201,820	167,600	272,000
Imports.....	1,758 ²	747	750 ³
Total supplies.....	242,578	189,347	286,750
Exports.....	85,424 ²	2,140	2,150 ³
Available for domestic use.....	157,154	187,207	284,600
	45,560		

¹ No figures available for 1936.

² Calendar years.

³ Estimated.

Fresh Vegetables.—Dehydration of vegetables of the 1945 crop will be on a scale considerably below the 1944 undertakings. This would indicate reduced plantings of cabbage, carrots and turnips by producers who have recently sold to dehydrators. Although statistics on vegetable production are too tentative to permit publication of reliable data, it would appear that some 20 per cent of the 1944 cabbage crop will be dried, and of carrots and turnips the proportions would be about 11 per cent and 5 per cent respectively. Except on a very local scale, the production of spinach and onions has not been unduly increased to supply dehydrators. Production of other fresh vegetables should be maintained at about the levels of 1944.

OIL-SEED CROPS

Flaxseed.—The objective for flaxseed in the 1944 program was 2·8 million acres, but the area actually sown to this crop in 1944 was estimated at 1·3 million acres or about 1·5 million acres less than the objective.

With respect to flaxseed, the view was expressed at the Conference a year ago that it would be difficult to attain the desired objective. This was particularly true in Saskatchewan, where about two thirds of the acreage of flaxseed has been grown. Although the price of flaxseed for the 1944 crop was raised to \$2.75 per bushel, there was a drastic reduction in acreage.

On the basis of present returns for this crop, it is estimated that about the same acreage will be planted in 1945 as in 1944. There is at present a good market outlet for flaxseed. Both the United States and Canada had small crops of flaxseed in 1944 compared with 1943. Shipments from the Argentine have been reduced and Canadian supplies in excess of domestic crushing requirements are finding a ready export market in the United States.

TABLE 39.—FLAXSEED ACREAGE AND ESTIMATED PRODUCTION FOR 1945

	1936-40 Average	1943	1944 ¹	1945	1945 of 1944
		ac.	ac.	ac.	%
CANADA	321,650	2,947,800	1,323,100	1,350,000	102
Quebec.....	2,950	.....	.....	.....	.....
Ontario.....	7,840	24,000	23,600	24,000	102
Manitoba.....	65,980	284,000	167,000	177,000	106
Saskatchewan.....	215,920	2,084,400	939,000	955,000	102
Alberta.....	25,280	550,000	191,500	192,000	100
British Columbia.....	270	5,400	2,000	2,000	100

¹ Preliminary.

THE SUPPLY SITUATION (CROP YEARS)

	1936-40 Average	1943-44	1944-45 Pre- liminary
		(000 bu.)	
Stocks at July 31.....	331	3,740	3,649
Production.....	1,784	17,911	9,668
Imports.....	911	.....	.....
Total supply.....	3,026	21,651	13,317
Exports (crop year).....	67	9,971	5,000
Available domestic use.....	2,959	11,680	8,317

Rapeseed.—First estimates place the acreage of rapeseed in 1944 at 11,430 acres, compared with 4,051 acres in 1943. A further increase to 20,000 acres has been recommended for 1945.

On the basis of an average yield of 750 lb. per acre in Manitoba, and 400 lb. per acre in Saskatchewan and Alberta, the total yield of rapeseed from the suggested acreage would be about 12·6 million pounds, as compared with the total yield of 6·6 million pounds in 1944.

TABLE 40.—RAPSEED ACREAGE AND RECOMMENDATIONS FOR 1945

	1943	1944 ¹	1945	1945 of 1944
	ac.	ac.	ac.	%
CANADA	4,051	12,030	20,600	171
Manitoba.....	1,500	6,000	12,000	200
Saskatchewan.....	1,700	4,800	6,000	125
Alberta.....	22	630	2,000	317
Ontario.....	821	600	600	100

¹ Preliminary.

Sunflower Seed.—The objective of 50,000 acres of sunflower seed in 1944 was not approached in actual planting according to the first estimate of the 1944 acreage of this crop which places the area planted to sunflowers at 17,300 acres. From 17,300 acres planted in 1944, it is estimated that 8·5 million pounds of seed will be produced.

The minimum 1945 acreage requested by the Fats and Oils Administrator is 28,000 acres. On the basis of the existing outlets, it is estimated that there is a market for a maximum of 50,000 acres.

TABLE 41.—SUNFLOWER ACREAGES AND 1944 RECOMMENDATIONS

	1943	1944 ¹	1945	1945 of 1944
	ac.	ac.	ac.	%
CANADA	12,370	17,300	28,000	162
Manitoba.....	4,270	11,300	.....	.....
Saskatchewan.....	7,600	6,000	.....	.....
Alberta.....	500	.....	.....	.....

¹ Preliminary.

Soybeans.—The 1944 objective for soybeans was set at 90,000 acres, the same acreage as had been suggested for 1943. However, the preliminary estimate of actual plantings is only 36,200 acres, and the amount harvested as beans is uncertain. At last year's Conference, provincial representatives indicated that no great expansion of soybean acreage could be expected under existing price relationships, and although the ceiling price was subsequently raised from \$1.96 to \$2.15 per bushel, production apparently increased only slightly. In the southwestern counties of Ontario, the area best adapted to soybeans, this crop must compete with corn, white beans, sugar beets, and other crops also in strong demand.

For this reason the probable soybean acreage for 1945 is estimated at about 39,000 acres, although there is at present a much greater domestic outlet than the probable production from this acreage.

TABLE 42.—SOYBEAN ACREAGE AND ESTIMATED PRODUCTION FOR 1945

	1936-40 Average	1943	1944 ¹	1945	1945 of 1944
	ac.	ac.	ac.	ac.	%
CANADA	9,902	35,550	36,200	39,000	108
Ontario.....	9,902	32,150	35,800 ²	36,000	101
Manitoba.....		2,500	400	3,000	750
British Columbia.....		900	³		

¹ Preliminary.² The total acreage seeded to soybeans in Ontario this year is estimated at 44,700 acres but of this total some 8,900 acres were seeded for hay.³ Production of soybeans in British Columbia for commercial purposes has disappeared in 1944.

THE SUPPLY SITUATION
(BUSHELS)

		1936-40 average	1944-45 Pre- liminary
Production.....		217,884	569,100
Imports.....		65,243	167,514
Total Supply.....		283,127	736,614

DRIED BEANS

The existence of an assured domestic and export market for dried beans justifies the 1945 recommended acreage of 125,000 acres. Ontario produces the bulk of this crop and the entire increase is recommended for this province.

TABLE 43.—DRIED BEAN ACREAGE AND RECOMMENDATIONS FOR 1945

	1936-40 Average	1943	1944 ¹	1945	1945 of 1944
	ac.	ac.	ac.	ac.	%
CANADA	74,440	85,200	99,500	125,000	126
New Brunswick.....	1,140	1,700	1,400	1,400	100
Quebec.....	7,380	14,100	14,500	14,500	100
Ontario.....	64,100	68,000	82,500	108,000	131
Alberta.....	770	800	300	300	100
British Columbia.....	900	600	800	800	100

¹ Preliminary.

THE SUPPLY SITUATION
(000 bushels)

	1936-40 Average	1943-44	1944-45 Pre- liminary
Production.....	1,346	1,407	1,431
Exports.....	340	136	600 ¹
Available for domestic use.....	1,006	1,271	831 ²

¹ Estimated exports.² Available for domestic use and seed requirements.

DRIED PEAS

The 1945 recommendation for dried pea acreage calls for the same acreage that was planted in 1944—83,600 acres. Based on average yields per acre, a production of about 1·4 million bushels from this acreage should meet domestic requirements and in addition provide some exportable surplus.

TABLE 44.—DRIED PEA ACREAGE AND ESTIMATED PRODUCTION FOR 1945

	1944 ¹	1945	1945 of 1944
	ac.	ac.	%
CANADA	83,600	83,600	100
Quebec.....	25,100	25,100	100
Ontario.....	12,600	12,600	100
Manitoba.....	11,300	11,300	100
Saskatchewan.....	4,000	4,000	100
Alberta.....	22,000	22,000	100
British Columbia.....	8,600	8,600	100

¹ Preliminary.

THE SUPPLY SITUATION
(000 bushels)

	1943-44	1944-45 Pre- liminary
Production.....	1,562	1,488
Imports.....	93	.....
Total Supply.....	1,655	.....
Exports.....	39	.....
Available for domestic use.....	1,616	.....

HUSKING CORN

A further expansion in the acreage seeded to corn for husking in 1945 is recommended. The adoption of hybrid strains has greatly extended the potential production area of corn for grain, and renders the suggested acreage increase feasible. The increase is considered desirable because of the relatively high yield of grain per acre, and the strong domestic demand for corn for starch manufacture as well as for livestock feeding.

The greater part of the suggested acreage increase has been assigned to Ontario. Although the acreage seeded to corn for husking in Manitoba reached 100,000 acres in 1942, subsequent unfavourable weather conditions have so far discouraged farmers from repeating this performance.

The recommended area of 350,000 acres, would, on the basis of average yields, provide a total crop of 16 million bushels.

TABLE 45.—HUSKING CORN ACREAGE AND RECOMMENDATIONS FOR 1945

	1936-40 Average	1943	1944 ¹	1945	1945 of 1944
	ac.	ac.	ac.	ac.	%
CANADA	175,860	230,000	270,000	350,000	130
Ontario.....	175,860	190,000	240,000	310,000	129
Manitoba.....	.....	40,000	30,000	40,000	133

¹ Preliminary.

THE SUPPLY SITUATION

	1936-40 Average	1943-44	1944-45 Pre- liminary	1945-46 Recom- mended
(million bushels)				
Stocks at beginning of year.....				
Production.....	7	8	12	16
Imports.....	11	5	5	5
Total Supplies.....	18	13	17	21
Exports.....	1			
Available for Domestic Use.....	17	13	17	21
Domestic Utilization.....				
Carry-over end of year.....				

SUGAR BEETS

The acreage of sugar beets harvested in 1944 totalled 58,350 acres which was greater than in 1943 but 5,000 acres below the 1944 objective. In Ontario, sugar beet acreage was increased by 5,000 acres but in Manitoba wet weather contributed to a smaller harvest. A new sugar beet factory is now operating in Quebec.

For 1945 an acreage of about 70,000 acres in sugar beets has been suggested, which is virtually existing processing capacity except in Ontario where only one of the two plants is presently operating. Canada could use all the beet sugar which could be produced, but competition from other cash crops and the lack of an adequate labour supply have tended to limit sugar beet acreage, more particularly in Ontario.

TABLE 46.—SUGAR BEET ACREAGE AND ESTIMATED PRODUCTION FOR 1945

	1936-40 Average	1943	1944 ¹	1945	1945 of 1944
	ac.	ac.	ac.	ac.	%
CANADA.....	58,400	52,500	58,350	70,000	120
Quebec.....			5,100	10,000	196
Ontario.....	34,040	9,300	14,500	15,000	103
Manitoba.....	18,100	14,100	10,000	15,000	150
Alberta.....	20,740	29,100	28,750	30,000	104

¹Preliminary.

THE SUPPLY SITUATION

(000 tons)

	1936-40 Average	1942	1943	1944 Pre- liminary
Production.....	590	716	472	608

NOTE.—Since the Conference, it has been intimated by the processing firm which contracts for acreage in Ontario, that because of the prospect of obtaining an increased prisoner of war labour force for cultivating the crop, the acreage in 1945 may be higher than the estimate given above.

TOBACCO

In Canada the annual disappearance of tobacco has steadily increased although the use of imported tobaccos has decreased. Canadian leaf taken for manufacture in the marketing year 1943-44 increased 61.9 per cent over the average quantity taken during the five marketing years 1936-37 to 1940-41, but the quantity of imported tobacco used in manufacture declined to 1,379,000 pounds in 1943-44 from the average of 5,126,400 pounds for the five pre-war years. Exports of leaf tobacco increased 9.3 per cent in the marketing year ending September 30, 1944 over the exports of the preceding year. Exports of manufactured tobacco for the fiscal year ending March 31, 1944 totalled six million pounds, an increase of 45.8 per cent over the figures for the fiscal year 1943, and the quantity for ships' stores increased 23.1 per cent in the 1944 fiscal year. Stocks on hand on September 30, 1944 decreased 17 per cent below the 1943 carry-over.

In view of these increases in Canadian leaf taken for manufacture and export, sizeable increases in plantings of all types of tobacco are recommended.

In 1943 it was desired to have a production of 100 million pounds (green weight) of all types of tobacco. This objective was not reached in 1943 but the estimated production for 1944 was slightly over that amount. More fertilizer will be available for production in 1945 but an improvement in labour supply and prices may be necessary to reach the suggested 1945 acreage.

The recommended acreage shown for the various types of tobacco indicate a total area of 109,140 acres of plantings. This is an overall increase of 22.5 per cent over the 1944 acreages as at present estimated. Such an acreage could be expected to produce 121,660,000 pounds of raw leaf or an increase over the 1944 production of 19.2 per cent. From this green weight quantity there would be an expected re-dried weight of 108,600,000 pounds. This represents an increase of about 19 per cent over the re-dried weight production in 1944. In 1945-46 availability of sterling exchange may be an important factor affecting shipments to the United Kingdom.

Flue-Cured Tobacco.—In order to maintain the reserve stocks position at approximately 1½ years' supply, as of September 30, 1945, 88,900 acres would be required. Assurances of sufficient, even ample, supplies of fertilizer have been made and it is expected that the labour situation will improve in the coming year.

Burley Tobacco.—Growers in 1944 almost reached the acreage objective for that year. A larger acreage will be required for 1945 if manufacturing needs and a sufficient carry-over are to be met. It is suggested that 12,500 acres should be grown in 1945.

Dark Tobacco.—The acreage planted to this crop in 1944 was small and not sufficient to maintain reserve stocks. From 1.6 to 1.7 million pounds of leaf (re-dried weight) are required each year and the production has not met this level for the past two years. An area of 1,550 acres is suggested. This is an increase of 34.8 per cent.

Cigar Leaf Tobacco.—As a result of the drastic reduction in acreage, the low yield of the 1943 crop and increased annual requirements, reserve stocks have declined. The recommended increase in area of 45.1 per cent to 4,460 acres will only meet the requirements if there is a better than average yield per acre.

Pipe Tobacco.—A small increase in pipe tobacco plantings is desirable. The stock position on September 30, 1944 was 700,000 pounds less than that

of the previous September. While manufacturing requirements are not as high as pre-war needs the stock position on September 30, 1945 will be only one year's reserve. An increase in plantings of 6.8 per cent to 1,730 acres is suggested.

TABLE 47.—FLUE-CURED TOBACCO ACREAGE AND RECOMMENDATIONS FOR 1945

	1936-40 Average	1943	1944	1945	1945 of 1944
	ac.	ac.	ac.	ac.	%
CANADA	54,240	660,200	73,830	88,900	120.4
Quebec.....	2,710	4,200	5,270	6,000	113.9
Ontario.....	51,180	55,700	68,400	82,600	120.8
British Columbia.....	350	220	160	300	187.5

THE SUPPLY SITUATION
(MARKETING YEARS ENDING SEPTEMBER 30)

	Average 1936-37 to 1940-41	1943-44	1944-45	1945-46
			Preliminary	Recommended
(thousand pounds re-dried weight)				
Stocks at beginning of year.....	48,305	86,127	74,767	73,858
Production.....	48,984	52,907	74,991	88,000
Imports.....	2,615	104	100	100
Total Supplies.....	99,904	139,138	149,858	161,958
Exports.....	11,510	11,111	18,000	.....
Available for Domestic Use.....	88,394	128,027	131,858	.....
Stocks at end of year.....	48,305	74,767	73,858	.....
Apparent disappearance.....	40,089	53,260	58,000	.....

TABLE 48.—BURLEY TOBACCO ACREAGE AND RECOMMENDATIONS FOR 1945

	1936-40 Average	1943	1944	1945	1945 of 1944
	ac.	ac.	ac.	ac.	%
Ontario.....	8,860	6,540	9,410	12,500	132.8

THE SUPPLY SITUATION
(MARKETING YEARS ENDING SEPTEMBER 30)

	Average 1936-37 to 1940-41	1943-44	1944-45	1945-46
			Preliminary	Recommended
(thousand pounds re-dried weight)				
Stocks at beginning of year.....	16,112	14,214	10,395	10,000
Production.....	9,259	5,800	9,937	13,000
Imports.....	.....	.....	.....	.....
Total Supplies.....	25,371	20,014	20,332	23,000
Exports.....	1,614	1,348	2,000	.....
Available for Domestic Use.....	23,757	18,666	18,332	.....
Stocks at end of year.....	13,112	10,395	10,000	.....
Apparent disappearance.....	10,645	8,271	8,332	.....

TABLE 49.—DARK TOBACCO ACREAGE AND RECOMMENDATIONS FOR 1945

	1936-40 Average	1943	1944	1945	1945 of 1944
		ac.	ac.	ac.	%
CANADA	2,380	1,100	1,150	1,550	134.8
Quebec.....	160	.....	.....	.....	.....
Ontario.....	2,220	1,100	1,150	1,550	.....

THE SUPPLY SITUATION

(MARKETING YEARS ENDING SEPTEMBER 30)

	Average 1936-37 to 1940-41	1943-44	1944-45 Pre- liminary	1945-46 Recom- mended
		(thousand pounds re-dried weight)		
Stocks at beginning of year.....	2,791	2,810	1,711	1,000
Production.....	2,345	823	1,232	1,500
Imports.....	.....	.....	.....	.....
Total Supplies.....	5,136	3,633	2,943	2,500
Exports.....	687	243	300	.....
Available for Domestic Use.....	4,449	3,380	2,643	.....
Stocks at end of year.....	2,791	1,711	1,000	.....
Apparent disappearance.....	1,658	1,669	1,643	.....

TABLE 50.—CIGAR LEAF ACREAGE AND RECOMMENDATIONS FOR 1945

	1936-40 Average	1943	1944	1945	1945 of 1944
		ac.	ac.	ac.	%
Quebec.....	4,730	2,650	3,050	4,460	145.1

THE SUPPLY SITUATION

(MARKETING YEARS ENDING SEPTEMBER 30)

	Average 1936-37 to 1940-41	1943-44	1944-45 Pre- liminary	1945-46 Recom- mended
		(thousand pounds re-dried weight)		
Stocks at beginning of year.....	5,580	6,520	4,495	4,000
Production.....	4,587	1,906	3,484	4,500
Imports.....	548	1,043	1,000	.....
Total Supplies.....	10,715	9,469	8,979	8,500
Exports.....	31	1	.....	.....
Available for Domestic Use.....	10,684	9,468	8,979	.....
Stocks at end of month.....	5,580	4,495	4,000	.....
Apparent disappearance.....	5,104	4,973	4,979	.....

TABLE 51.—PIPE TOBACCO ACREAGES AND RECOMMENDATIONS FOR 1945

Acreage	Average 1936-40	1943	1944	1945	1945 of 1944
	ac.	ac.	ac.	ac.	%
Quebec.....	3,350	730	1,620	1,730	106.8

THE SUPPLY SITUATION

(MARKETING YEARS ENDING SEPTEMBER 30)

	Average 1936-37 to 1940-41	1943-44	1944-45 Pre- liminary	1945-46 Recom- mended
(thousand pounds re-dried weight)				
Stocks at beginning of year.....	1,848	1,963	1,265	840
Production.....	2,907	400	1,575	1,600
Imports.....		2		
Total Supplies.....	4,755	2,365	1,840	2,440
Exports.....		214	200	
Available for Domestic Use.....	4,755	2,151	1,640	
Stocks at end of year.....	1,848	1,265	840	
Apparent disappearance.....	2,907	886	800	

MAPLE PRODUCTS

The probable production of maple products in 1945, assuming normal weather conditions prevail during the tapping season, will not be quite as large as in 1944. Equipment for maple syrup making is now in adequate supply and it is expected that farmers will produce to the limit of capacity at present price levels. While it is reported that there has been heavy cutting of maple trees in some areas for lumber and fuel, it is believed that few good maple bushes have been affected. There is every indication that the number of producing trees will be maintained at the 1944 level.

TABLE 52.—MAPLE PRODUCTION AND ESTIMATE FOR 1945

Province	Average 1936-40	1943	1944	1945	1945 of 1944
		(gallons of syrup)			%
CANADA	2,722,200	2,299,800	3,090,300	2,720,000	88
Nova Scotia.....	10,800	10,800	12,800	.....	.....
New Brunswick.....	24,000	20,000	21,400	.....	.....
Quebec.....	2,142,700	1,792,100	2,542,300	.....	.....
Ontario.....	544,700	476,900	513,800	.....	.....

¹ 10 pounds of sugar equivalent to 1 gallon syrup.

THE SUPPLY SITUATION¹

—	Average 1936-37 to 1940-41	1943-44	1944-45	1945
Stocks.....	2	2	2	2
Production.....	2,722,200	2,299,800	3,090,300	2,720,000
Imports.....	1,000	500	100	.....
Total Supply.....	2,723,200	2,300,300	3,090,400	.....
Exports.....	723,800	576,200	633,800	.....
Available Supply.....	1,999,400	1,724,100	2,456,600	.....

¹ Crop year ended March 31.² Not available.

HONEY

While no exact honey requirement figures for 1945 are available, it is felt that production at approximately the 1944 level will be adequate to meet all needs. Admittedly, this is far below the 1943 level of consumption, but marketing conditions during that year were unusual. Prior to the rationing of honey early in September 1943, the crop moved rapidly into the hands of consumers and as much as 50 per cent of the honey was sold in some provinces when rationing went into effect. In addition, stocks of canned fruit which are obtainable on the same ration coupons as honey, were extremely short and householders turned to honey as a substitute.

While it is felt that 36,600,000 pounds is an adequate level of production for the coming year, present indications are that production will be substantially heavier. Preliminary estimates of the number of producing colonies in 1944 show that there is an over-all increase of 12.5 per cent over 1943. Present indications are that the number of producing colonies in 1945 will be the same as in 1944 or 506,000 colonies, and with average yields per colony in all provinces the crop would reach a record level of 48,560,000 pounds. In view of all the information available it is recommended that there be no increase in the number of colonies of bees in 1945.

TABLE 53.—HONEY PRODUCTION AND RECOMMENDATIONS FOR 1945

Province	Average 1936-40	(thousand pounds)		
		1943	1944 ¹	1945
CANADA.....	34,659	39,492	36,216	36,600
Prince Edward Island.....	14	32	40	40
Nova Scotia.....	65	72	60	60
New Brunswick.....	81	232	148	150
Quebec.....	4,312	5,000	2,200	2,250
Ontario.....	17,137	19,212	14,000	14,100
Manitoba.....	6,699	4,503	5,500	5,570
Saskatchewan.....	2,903	5,365	7,000	7,080
Alberta.....	2,166	3,800	6,000	6,080
British Columbia.....	1,282	1,276	1,268	1,270

¹ Preliminary.

THE SUPPLY SITUATION¹

	Average 1936-37 to 1940-41	1943-44	1944-45 ²	1945
Stocks at beginning of year.....	867	116	336	.....
Production.....	34,659	39,492	36,216	36,600
Imports.....	638	541	500	.....
Total Supply.....	36,164	40,149	37,052	.....
Exports.....	5,102	14	33	.....
Available Supply.....	31,062	40,135	37,019	.....

¹ Crop year ended July 31.² Preliminary.

WOOL

The gradual increase in numbers of sheep on farms has been reflected in wool production. Preliminary estimates of the 1944 wool crop indicate a clip of 15·1 million pounds, an increase of about 1·2 million pounds over the clip of 1943. Canada produces only from 15 to 20 per cent of her annual wool requirements and consequently is largely dependent upon importations from other countries. If the upward trend in numbers of sheep which has been under way since 1941 continues into 1945 another increase in wool production can be expected. The 1945 clip has been tentatively estimated at 15½ million pounds, an increase of 2·4 per cent over the clip of 1944.

TABLE 54.—PRODUCTION¹ OF SHORN WOOL IN CANADA, WITH ESTIMATE FOR 1945

	1936-40 Average	1943	1944 ²	1945	1945 of 1944
(000 lb.)					
CANADA	12,004	13,929	15,128	15,500	102·4
Prince Edward Island.....	170	212	212	.....
Nova Scotia.....	441	526	525	.....
New Brunswick.....	349	355	355	.....
Quebec.....	1,826	1,920	2,027	.....
Ontario.....	3,091	3,006	2,895	.....
Manitoba.....	866	1,217	1,151	.....
Saskatchewan.....	1,346	2,053	2,409	.....
Alberta.....	3,395	4,092	4,910	.....
British Columbia.....	540	548	644	.....

¹ On a greasy basis.² Preliminary.

NOTE.—In addition to the above clip of shorn wool the following amounts of pulled wool were produced.

	000 lb.
1936-40.....	3,626
1943.....	3,889
1944.....	4,374
1945.....	4,374

FIBRE FLAX

The production of fibre flax has been considerably stepped up in Canada during wartime, in response to requests from the United Kingdom. The objective for 1944 called for plantings up to present scutching capacity, or about 48,000 acres. Actual acreage planted totalled 39,102. The same acreage as in 1944 is tentatively recommended for the year 1945 subject to the approval of the British Ministry of Supply.

TABLE 55.—ACREAGE AND PRODUCTION OF FIBRE FLAX

Year	Area Planted	Graded Scutched Flax	Graded Scutched Tow
		ac.	tons
1939-40.....	8,306	538	1,806
1940-41.....	20,275	1,020	1,499
1941-42.....	44,467	1,455	3,877
1942-43.....	47,070	1,479 ¹	3,177 ¹
1943-44.....	35,000	1,370 ²	3,077 ²
1944-45.....	39,102	1,070	2,455
1945-46.....	39,102 ³		

¹ Includes the production secured from 5,000 acres of crop planted in 1941.² Includes production from about 8,000 acres of crop carried over from 1942 plantings.³ Tentative.

HORSES

The horse population on farms in Canada at June 1, 1944, was 98·6 per cent of the total at the same date in 1943, showing an increase of 7,000 mares and 11,000 geldings. The number of colts and fillies under 2 years, however, showed a decrease of 59,000 or 14·1 per cent, indicating a greater decline in breeding operations as compared with the figures for 1943 which had shown a decrease in young stock of 11·2 per cent from the preceding year.

TABLE 56.—HORSES ON FARMS AT JUNE 1, CANADA

—	1936-40 Average	1942	1943	1944
Stallions, 2 year old and over, 000 hd.....	22	20	22	22
Mares, 2 year old and over, 000 hd.....	1,289	1,228	1,230	1,237
Geldings, 2 year old and over, 000 hd.....	1,146	1,149	1,152	1,163
Colts and fillies under 2 years, 000 hd.....	398	419	371	312
Total, all horses, 000 hd.....	2,855	2,816	2,775	2,734

HORSES ON FARMS BY PROVINCES, JUNE 1

—	1943	1944	1944 of 1943
—	No.	No.	%
CANADA.....	2,775,210	2,735,050	98·6
Prince Edward Island.....	27,340	27,050	98·9
Nova Scotia.....	35,700	35,800	100·3
New Brunswick.....	47,500	46,700	98·3
Quebec.....	329,500	344,500	104·6
Ontario.....	522,200	506,600	97·0
Manitoba.....	298,500	289,800	97·1
Saskatchewan.....	824,400	819,500	99·4
Alberta.....	627,900	603,500	96·1
British Columbia.....	62,170	61,600	99·1

Figures relating to exports indicate that of the total number of horses shipped to the United States in the first nine months of 1944, 56·6 per cent were shipped for slaughter.

Information has been supplied through various Canadian and overseas channels with respect to the availability of horses in volume of various classes

with a view of securing wider markets for Canadian horses. Outlets for the present surplus would provide added incentive for the production of useful, high class horses of both heavy and light types to supply all requirements.

TABLE 57.—EXPORTS OF HORSES FROM CANADA, 1936-44

	No. Head
Average, 5 years, 1936-40.....	9,327
1942.....	4,764
1943.....	17,697
1944 (January-November).....	21,695

SEEDS

No recommendations are made with respect to seed for the production of cereals, oil-bearing crops, field beans, field peas, sugar beets, fibre flax and corn. Only a limited quantity of these crops is grown exclusively for seed. It is considered that supplies of seed will be available from normal production to plant whatever acreage is recommended.

Hay and Pasture Seed Crops

Alfalfa.—While the level of production recommended in the case of alfalfa is substantially above that obtained in recent years, it is well within production possibilities. Supplies of alfalfa seed in Canada from 1944 production are substantially greater than required for Canadian use. Surplus seed available for export is, nevertheless, far short of filling all requirements. Since the demand for this seed is at such an exceptionally high level, it is considered necessary to stress the impossibility of over-production in 1945.

TABLE 58.—ALFALFA SEED PRODUCTION AND RECOMMENDATION FOR 1945

—	1942	1943	1944 ¹	1945	1945 of 1944
	(thousand pounds)				%
CANADA	4,800	4,486	7,775	15,000	193
Maritime Provinces.....					
Quebec.....	13		5		
Ontario.....	1,344	76	905		
Manitoba.....	960	700	1,300		
Saskatchewan.....	528	2,135	3,000		
Alberta.....	1,903	1,450	2,500		
British Columbia.....	52	125	65		

¹ Preliminary.

THE SUPPLY SITUATION

CROP YEAR ENDING JUNE 30

—	1942-43	1943-44	1944-45 Pre- liminary
	(thousand pounds)		
Stocks at beginning of year.....	60	200	507
Production.....	4,800	4,486	7,775
Imports.....	4		
Total Supplies.....	4,864	4,686	8,282
Exports.....	2,255	584	3,660
Available for domestic use.....	2,609	4,102	4,622

Alsike Clover.—Supplies of alsike clover seed in Canada and in all other producing countries from which information is available, are far short of filling total needs. As in the case of alfalfa, it is considered that production could exceed the recommendation without presenting any serious carry-over problem.

TABLE 59.—ALSIKE CLOVER SEED PRODUCTION AND RECOMMENDATION FOR 1945

—	1942	1943	1944	1945	1945 of 1944
	(thousand pounds)				%
CANADA	913	4,760	1,400	7,000	500
Maritime Provinces.....					
Quebec.....	22	251			
Ontario.....	155	4,117	700		
Manitoba.....	134	15	100		
Saskatchewan.....			10		
Alberta.....	390	275	450		
British Columbia.....	212	102	140		

THE SUPPLY SITUATION

(CROP YEAR ENDING JUNE 30)

—	1942-43	1943-44	1944-45
			Pre-liminary
		(thousand pounds)	
Stocks at beginning of year.....	750	124	843
Production.....	913	4,760	1,400
Imports.....	114		
Total Supplies.....	1,777	4,884	2,243
Exports.....	52	690	500
Available for domestic use.....	1,725	4,194	1,743

Red Clover.—There is a very keen demand for Canadian supplies of red clover seed. Production of red clover seed in Canada during the past few years has been such that practically all of the seed has been required in Canada for domestic use. It is recommended that production be substantially increased in order to supply the requirements of countries that normally obtained a considerable portion of their requirements from Canada.

TABLE 60.—RED CLOVER SEED PRODUCTION AND RECOMMENDATIONS FOR 1945

—	1942	1943	1944	1945	1945 of 1944
					%
CANADA	1,598	7,297	6,917	10,000	145
Maritime Provinces.....					
Quebec.....	14		30		
Ontario.....	54	1,792	2,100		
Manitoba.....	1,025	4,815	3,820		
Saskatchewan.....	57	10	100		
Alberta.....	208	450	400		
British Columbia.....	240	220	437		

THE SUPPLY SITUATION

(CROP YEAR ENDING JUNE 30)

	1942-43	1943-44	1944-45
	(thousand pounds)		
Stocks at beginning of year.....	225	110	875
Production.....	1,598	7,297	6,917
Imports.....	1,165	20	.....
Total Supplies.....	2,988	7,427	7,792
Exports.....	.....	83	920
Available for domestic use.....	2,988	7,344	6,872

Sweet Clover.—The present demand for sweet clover seed in the United States is very strong and there is every indication that the Canadian exportable surplus of approximately eight million pounds from the 1944 crop will find a ready export market. However, normal exports of sweet clover seed, which are limited entirely to the United States, are approximately four million pounds and with a strong possibility of a larger United States crop in 1945 and a resultant lowering of import requirements, it is recommended that a smaller quantity of this seed be harvested in Canada in 1945 than was harvested in 1944.

TABLE 61.—SWEET CLOVER SEED PRODUCTION AND RECOMMENDATIONS FOR 1945

	1942	1943	1944	1945	1945 of 1944
	(thousand pounds)				%
CANADA	5,959	6,812	11,363	7,000	61
Maritime Provinces.....	.....	.....	.....	.....	.....
Quebec.....	8	.....	.....	.....	.....
Ontario.....	655	306	1,398	.....	.....
Manitoba.....	1,728	3,500	5,200	.....	.....
Saskatchewan.....	954	1,343	1,200	.....	.....
Alberta.....	2,614	1,500	3,500	.....	.....
British Columbia.....	.....	72	65	.....	.....

THE SUPPLY SITUATION

(CROP YEAR ENDING JUNE 30)

	1942-43	1943-44	1944-45 Pre- liminary
	(thousand pounds)		
Stocks at beginning of year.....	550	1,390	932
Production.....	5,959	6,812	11,363
Imports.....	89	.....	.....
Total Supplies.....	6,598	8,202	12,295
Exports.....	1,985	4,363	8,000
Available for domestic use.....	4,613	3,839	4,295

Brome Grass.—United States has just harvested the largest crop of brome grass seed in its history. Since the United States is the only outlet for the exportable surplus of Canadian supplies of this seed and, since it appears likely that Canadian exports to the United States may be partially reduced during the present crop year, it is recommended that a smaller crop be harvested in Canada in 1945 than has been harvested since 1942.

TABLE 62.—BROME GRASS SEED PRODUCTION AND RECOMMENDATIONS FOR 1945

—	1942	1943	1944	1945	1945 of 1944
(thousand pounds)					
CANADA	10,086	10,439	10,590	8,000	75
Saskatchewan.....	3,630	3,929	4,500	.....	.....
Manitoba.....	2,421	2,500	2,000	.....	.....
Alberta.....	4,024	4,000	4,000	.....	.....
British Columbia.....	11	10	90	.....	.....

THE SUPPLY SITUATION

(CROP YEAR ENDING JUNE 30)

—	1942-43	1943-44	1944-45 Pre- liminary
(thousand pounds)			
Stocks at beginning of year.....	650	778	669
Production.....	10,086	10,439	10,590
Imports.....	.....	.....	.....
Total Supplies.....	10,736	11,217	11,259
Exports.....	6,845	5,697	6,000
Available for domestic use.....	3,891	5,520	5,259

Crested Wheat Grass.—The export market for crested wheat grass is expected to be normal. It is considered that a production comparable with 1943 should be maintained.

TABLE 63.—CRESTED WHEAT GRASS SEED PRODUCTION AND RECOMMENDATIONS FOR 1945

—	1942	1943	1944	1945	1945 of 1944
(thousand pounds)					
CANADA	2,600	2,494	2,365	2,500	106
Manitoba.....	364	240	200	.....	.....
Saskatchewan.....	1,947	1,954	1,900	.....	.....
Alberta.....	286	300	250	.....	.....
British Columbia.....	3	.....	15	.....	.....

THE SUPPLY SITUATION

(CROP YEAR ENDING JUNE 30)

—	1942-43	1943-44	1944-45 Pre- liminary
(thousand pounds)			
Stocks at beginning of year.....	350	248	464
Production.....	2,600	2,494	2,351
Imports.....	.....	.....	.....
Total Supplies.....	2,950	2,742	2,815
Exports.....	1,291	1,492	1,500
Available for domestic use.....	1,659	1,250	1,315

Timothy.—Production of timothy seed in Canada has greatly expanded during the past few years. Prior to 1942-43 a very large proportion of Canadian requirements of timothy seed was imported from the United States. A point has now been reached where the export of timothy seed is only slightly less than the imports. The recommendation for 1945 production has been made with a view to providing sufficient seed to meet normal Canadian domestic needs, plus an additional quantity to fill the anticipated export requirements.

TABLE 64.—TIMOTHY SEED PRODUCTION AND RECOMMENDATIONS FOR 1945

	1942	1943	1944	1945	1945 of 1944
	(thousand pounds)				%
CANADA	13,713	14,879	11,154	15,000	134
Maritime Provinces.....	22	200	200	.....	.....
Quebec.....	220	3,990	3,000	.....	.....
Ontario.....	10,465	8,973	6,474	.....	.....
Manitoba.....	127	100	80	.....	.....
Saskatchewan.....	1,508	19	10	.....	.....
Alberta.....	1,371	1,000	1,200	.....	.....
British Columbia.....	.....	597	190	.....	.....

THE SUPPLY SITUATION

(CROP YEAR ENDING JUNE 30)

	1942-43	1943-44	1944-45 Pre- liminary
	(thousand pounds)		
Stocks at beginning of year.....	1,000	3,684	4,881
Production.....	13,713	14,879	11,154
Imports.....	930	2,286	1,000
Total Supplies.....	15,643	20,849	17,035
Exports.....	332	803	1,900
Available for domestic use.....	15,311	20,046	15,135

Other Grasses.—In the case of Canada blue grass, creeping red fescue, western rye grass and bent grass, it is considered inadvisable to encourage growers to increase production above the maximum of 1943 or 1944 production levels. Canadian requirements of Kentucky blue grass have been imported in considerable quantities for years, and as this grass grows more or less in a natural state in the Red River Valley in Manitoba, it is felt that growers should be encouraged to harvest the seed.

TABLE 65.—OTHER GRASS SEED PRODUCTION AND RECOMMENDATION FOR 1945

	1942	1943	1944	1945	1945 of 1944
	(thousand pounds)				%
CANADA	948	815	826	1,096	132
Canadian Blue Grass.....	420	340	175	340	194
Kentucky Blue Grass.....	130	61	25	300	1,600
Creeping Red Fescue.....	227	236	305	300	100
Western Rye Grass.....	166	174	315	150	47
Bent Grass.....	5	4	6	6	100

THE SUPPLY SITUATION
(CROP YEAR ENDING JUNE 30)

—	1942-43	1943-44	1944-45 Pre-liminary
(thousand pounds)			
Stocks at beginning of year.....	N.A.	N.A.	411
Production.....	948	815	828
Imports.....	456	389	300
Total Supplies.....	1,404	1,204	1,537
Exports.....	142	296	350
Available for domestic use.....	1,262	908	1,187

N.A.—Not available.

Garden Vegetable and Field Root Seed Crops

Production of various garden vegetable and field root seeds has not been broken down by the provinces because of the number of kinds involved. The information is presented as a total for Canada. The critical situation in regard to supplies of vegetable and field root seeds which existed during the early war years, has been almost completely eliminated. In view of the fact that substantial surpluses of these seeds have been built up in Canada and other producing countries, the recommendations for 1945-46 have been reduced for a number of kinds. The quantities suggested are sufficient to provide seed to fill export commitments and to meet normal Canadian requirements.

TABLE 66.—VEGETABLE AND FIELD ROOT SEED PRODUCTION
AND RECOMMENDATIONS FOR 1945-46

—	3-year Average 1939-41	1943	1944 Pre- liminary	1945-46 ¹
	lb.	lb.	lb.	lb.
Bean (garden).....	308,939	615,675	983,240	900,000
Beet (garden).....	6,688	33,980	84,740	150,000
Cabbage.....	2,441	4,925	4,280	20,000
Carrot.....	26,577	88,440	275,650	200,000
Cauliflower.....	298	4,900	6,000	2,500
Corn (Sweet).....	27,946	559,600	410,800	1,500,000
Cucumber.....	3,038	9,035	10,935	55,000
Leek.....	5	2,710	7,000	6,000
Lettuce.....	1,331	20,155	40,000	70,000
Mangel.....	23,418	182,845	331,800	175,000
Muskmelon.....	319	145	275	4,000
Onion.....	44,431	250,390	260,000	300,000
Parsnip.....	5,187	17,560	32,500	15,000
Peas—garden and canning.....	6,129,459	13,282,180	10,950,000	18,000,000
Pepper.....	92	255	270	650
Pumpkin.....	1,103	1,675	1,440	5,500
Radish.....	17,404	220,435	248,930	250,000
Spinach.....	11,182	34,085	56,600	50,000
Squash and Marrow.....	1,947	9,285	14,500	28,000
Swede.....	23,297	83,970	178,000	140,000
Tomato.....	1,408	6,545	8,550	10,000
Watermelon.....	504	100	400	4,000

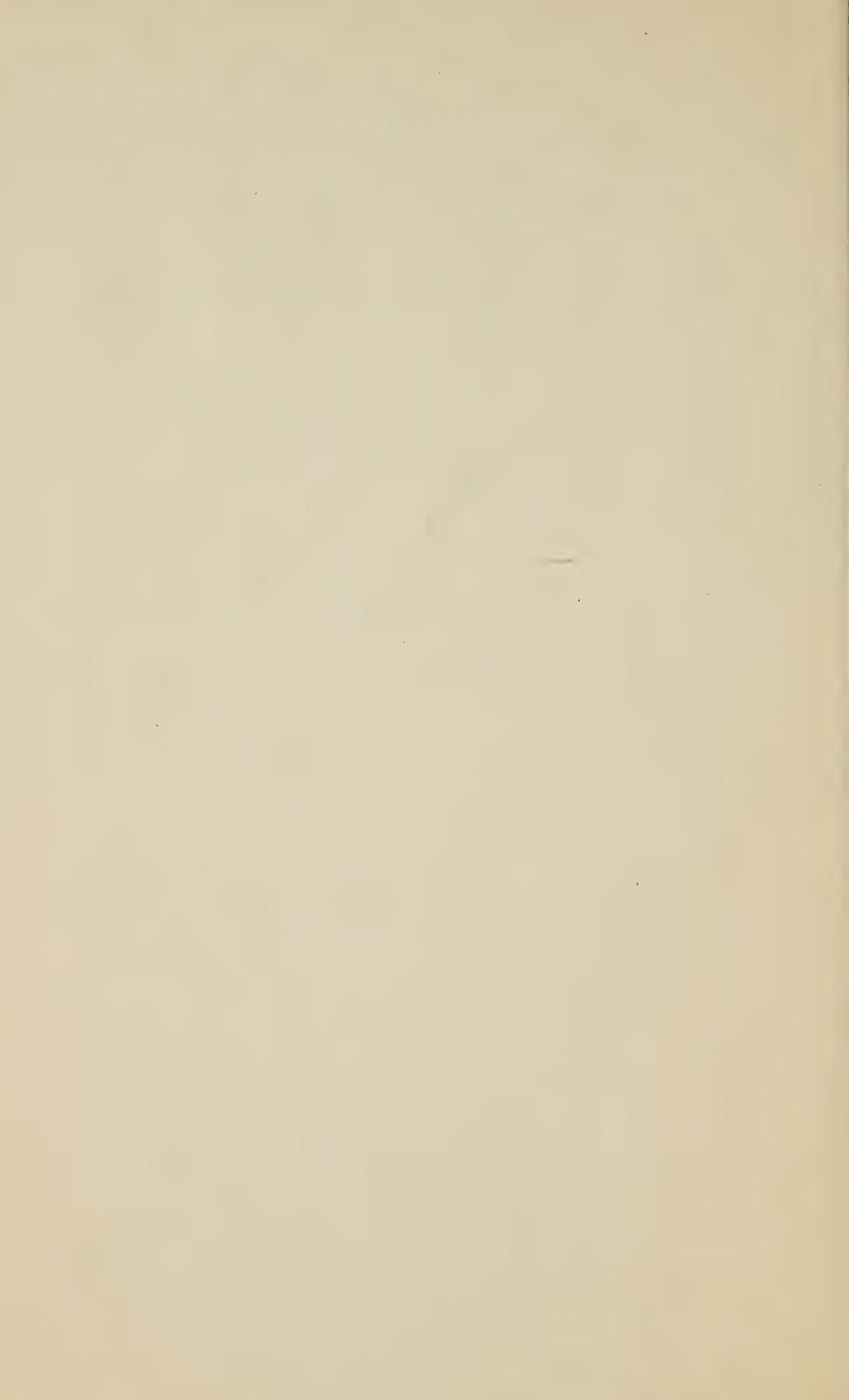
¹ 1945 for annual crops.

¹ 1946 for biennial crops.

GARDEN VEGETABLE AND FIELD ROOT SEEDS SUPPLY SITUATION 1944-45

CROP YEAR ENDING JUNE 30 (Preliminary)

—	Stocks at beginning of Period	Produc- tion	Imports	Total Supply	Exports	Available for Domestic Use
						lb.
Bean (garden).....	276,020	983,240	350,000	1,609,260	16,060	1,593,200
Beet (garden).....	41,710	84,740	55,000	181,450	28,500	152,950
Cabbage.....	7,770	4,280	15,000	27,050	1,150	25,900
Carrot.....	68,605	275,650	70,000	414,255	178,750	235,505
Cauliflower.....	1,130	6,000	1,000	8,130	3,775	4,355
Corn (Sweet).....	142,130	410,800	550,000	1,102,930	.....	1,102,930
Cucumber.....	22,940	10,935	40,000	73,875	4,300	69,575
Leek.....	945	7,000	1,500	9,445	6,000	3,445
Lettuce.....	16,990	40,000	40,000	96,990	25,000	71,990
Mangel.....	288,240	331,800	5,000	625,040	220,500	404,540
Muskmelon.....	2,650	275	4,000	6,925	.....	6,925
Onion.....	42,280	260,000	45,000	347,280	239,570	107,710
Parsnip.....	8,000	32,500	15,000	55,500	.....	55,500
Pea—garden and canning.....	1,855,700	10,950,000	1,000,000	13,805,700	1,651,850	12,153,850
Pepper.....	700	270	550	1,520	.....	1,520
Pumpkin.....	7,885	1,440	3,000	12,325	.....	12,325
Radish.....	63,170	248,930	50,000	362,100	177,460	184,640
Spinach.....	44,380	56,600	25,000	125,980	.....	125,980
Squash and Marrow.....	8,740	14,500	10,000	33,240	7,320	25,920
Swede.....	171,490	178,000	15,000	364,490	.....	364,490
Tomato.....	5,375	8,550	5,000	18,925	3,630	15,295
Watermelon.....	2,775	400	4,000	7,175	7,175

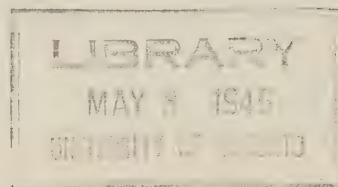


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Canada, Agricultural Supplies Board

CANADIAN AGRICULTURAL PROGRAM

for 1946



Agricultural Supplies Board
Dominion Department of Agriculture



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1946

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SUMMARY OF RECOMMENDATIONS FOR 1946

—	Unit	1945 Production	1946 Recommendation	1946 of 1945
<i>Grain and Forage Crops—</i>				%
Wheat.....	ac.	23,414,100	23,414,100	100
Oats.....	ac.	14,393,200	14,310,200	99
Barley.....	ac.	7,350,000	8,000,000	109
Mixed Grain.....	ac.	1,453,400	1,453,400	100
Husking Corn.....	ac.	237,000	350,000	148
Rye.....	ac.	487,100	487,100	100
Summerfallow (Prairie Prov.).....	ac.	19,397,000	19,397,000	100
Hay and Clover.....	ac.	9,975,000	9,975,000	100
Alfalfa Hay.....	ac.	1,600,600	1,600,600	100
<i>Meat Animals (Marketings)—</i>				
Hogs.....	no.	5,900,000	6,148,000	104
Cattle.....	no.	1,840,000	1,840,000	100
Calves.....	no.	800,000	900,000	112
Sheep and Lambs.....	no.	1,200,000	1,100,000	92
<i>Dairy Products—</i>				
Milk (total).....	lb.	17,600,000,000	18,000,000,000	102
Creamery Butter.....	lb.	293,252,000	310,000,000	106
Cheddar Cheese.....	lb.	180,622,000	180,000,000	100
Evaporated Whole Milk.....	lb.	199,531,000	200,000,000	100
Condensed Whole Milk.....	lb.	27,840,000	28,000,000	100
Whole Milk Powder.....	lb.	14,139,000	14,000,000	100
Skim-milk Powder.....	lb.	35,676,000	35,500,000	100
<i>Eggs and Poultry—</i>				
Eggs (total).....	doz.	370,659,000	358,605,000	97
Poultry Meat.....	lb.	311,297,000	311,297,000	100
<i>Fruits and Vegetables—</i>				
Apples.....	bus.	7,416,000	12,500,000	169
Pears, Cherries, Plums, Prunes.....		(varying increases for 1946)	(“ “ “ “)	
Peaches, Apricots, Grapes.....		(slight increase for 1946)		
Strawberries, Raspberries.....				
Potatoes.....	ac.	507,600	523,600	103
Canning peas and corn.....		(slight increases for 1946)		
Canning tomatoes and beans.....		(slight decreases for 1946)		
Fresh vegetables.....		(slight reduction for 1946)		
<i>Oilseed Crops—</i>				
Soybeans.....	ac.	43,650	49,080	112
Rapeseed.....	ac.	20,400	20,400	100
Sunflower Seed.....	ac.	14,216	28,000	197
Flaxseed.....	ac.	1,060,000	1,250,000	118
<i>Other Crops—</i>				
Dried Beans.....	ac.	96,400	96,400	100
Dried Peas.....	ac.	82,000	83,250	102
Sugar Beets.....	ac.	60,000	90,000	150
Tobacco—				
Flue Cured.....	ac.	76,880	85,000	111
Burley.....	ac.	10,185	12,500	123
Cigar Leaf.....	ac.	2,800	5,000	178
Dark.....	ac.	1,308	1,550	118
Pipe.....	ac.	2,775	2,750	99
<i>Seed Crops—</i>				
Alfalfa Seed.....	lb.	7,430,000	15,000,000	202
Alsike Clover Seed.....	lb.	2,795,000	7,000,000	250
Red Clover Seed.....	lb.	4,442,000	10,000,000	225
Sweet Clover Seed.....	lb.	10,300,000	8,000,000	77
Timothy Seed.....	lb.	16,040,000	15,000,000	93
Brome Grass Seed.....	lb.	10,000,000	8,000,000	80
Crested Wheat Grass Seed.....	lb.	1,325,060	2,000,000	152
Other Grass Seeds.....	lb.	1,791,000	1,850,000	103
Vegetable and Field Root Seeds.....	lb.	(decreases for 1946)		
Garden Pea Seed.....	lb.	11,170,000	18,000,000	161
<i>Miscellaneous—</i>				
Maple Products.....	gal.	1,530,000	2,750,000	180
Honey.....	lb.	26,035,000	43,036,000	165
Wool.....	lb.	14,600,000	13,200,000	90
Fibre Flax.....	ac.	21,271	25,000	118

THE DECEMBER CONFERENCE AND THE 1946 PROGRAM

The recommendations presented herein were discussed at a Conference in Ottawa on December 3-4-5, 1945. It was the thirteenth agricultural Conference held since the outbreak of the war, and the fourth annual Conference convened under the auspices of the Agricultural Supplies Board to discuss the full agricultural program for the coming year. As on previous occasions, representatives were present from each Provincial Department of Agriculture, as well as from the Canadian Federation of Agriculture. Others present in addition to Dominion Government officials included representatives from the Canadian Wheat Board, the British Ministry of Food, and the United States Department of Agriculture.

Prior to the Conference, preliminary reports were prepared for each commodity, incorporating the latest statistical information relevant to discussions on the 1946 program. These reports were prepared at Ottawa by a number of sub-committees, co-ordinated by a central committee responsible to the Supplies Board. On the basis of the best available information with respect to present supply and probable requirements of the various commodities in 1946, it was possible for each committee to suggest the desirable level of output for 1946. At the Conference, 1946 recommendations and estimates were fully discussed, and particular attention was given to those commodities for which Canada has definite commitments for shipment to the United Kingdom.

As this was the first Annual Conference held since the termination of hostilities, considerable interest was shown by delegates as to the position of agriculture during the transition period from war to peace, and in the general outlook for the industry in the coming years.

In welcoming the delegates, Honourable J. G. Gardiner, the Minister of Agriculture, stated that so far as the Dominion Government was concerned, it was quite prepared to arrange for the Conferences to continue in peacetime if the Provincial Governments wished for them, and were ready to co-operate in the production program as they had done so actively throughout the war years. The Minister reminded the delegates that a number of agreements were still in effect throughout 1946, the contracts for cheese and eggs running until March, 1947, the agreement for bacon and beef until the end of 1946, and he stated that the prices and quantities of these contracts were approximately the same as they were during 1945. He also mentioned the arrangement under which wheat would not go below \$1.00 a bushel during the next five years; and pointed out that for the present crop year there was an initial price for wheat of \$1.25 a bushel and for the time being this was being sold on the export market for \$1.55 a bushel. The Minister gave an explanation of the functions of the Agricultural Prices Support Board, which would help to hold the prices of farm products during the transition period, and he further explained that the stabilization of wheat prices would not be handled through this Board, but would come under the jurisdiction of the Wheat Board and would be financed from separate funds. The Minister made the announcement that he and the Minister of Trade and Commerce together with the necessary officials of the Government, were leaving for England as soon as possible to discuss future trade arrangements with that Country. He concluded his remarks by expressing the thanks of the Dominion Government to the farmers of Canada for their exceedingly fine efforts in producing food during the war, and read the following cable from Sir Ben Smith, United Kingdom Minister of Food:

"My best wishes for the successful outcome of Dominion-Provincial Conference now meeting in Ottawa. Since the Conference last year, we have passed from a state of war to one of peace, but the problem of feeding our people is no

easier. For all that you and the people of Canada have done during the war period and particularly during the past twelve difficult months, to help us in this country we are deeply grateful.

In particular I should like your farmers to know how valuable has been their contribution of wheat, bacon, beef, cheese, eggs and apples during 1945.

When I spoke to you in October last over the trans-atlantic telephone and told you of my great difficulty in maintaining our three-ounce bacon ration, your ready response and the support we received from your countrymen saved the day. I cannot thank you enough for that help.

Equally I am specially grateful for the extra quantities of meat which Canada has supplied as a result of the self-sacrifice which she has imposed on her own consumption.

Although the fighting is over the battle of food continues. Europe and other war devastated areas are still in great need of assistance. Only by maintaining agricultural output at a high level during the coming year can needs be met. I hope that Canada will continue to ship to the United Kingdom such quantities of food as I shall need to maintain, and so far as circumstances make possible, improve the monotonous level of food consumption which we have accepted during the past six years."

Mr. A. M. Shaw, Chairman of the Agricultural Supplies Board, acted as Chairman of the Conference. The order of procedure was to have the reports of each group of commodities read by the Chairman of the Committee which had prepared the reports, after which general discussion was invited.

Before proceeding with the discussion of commodity reports, the Conference was addressed by Dr. Arthur MacNamara, Director of National Selective Service, who spoke on the farm labour situation. Dr. MacNamara reviewed the effort during the war years to provide agriculture with sufficient labour, and looking to the immediate future, reminded the delegates that with the absence of manpower controls, agriculture next spring will become an unprotected competitor in the labour market at a time when expanding peacetime industries and public works projects will make attractive bids for labour. If farmers were to hold their own in face of this competition, they would no doubt have to give more thought to wages and efficiency, for good wages and high efficiency usually go hand in hand. Among compensating influences he mentioned the demobilizing of service men but cautioned that many of the veterans who return to the land may do so as employers rather than as farm labourers.

The commodity report which created the greatest discussion was that dealing with grains and forage crops, which recommended that the acreage for wheat and summerfallow should remain the same as last year, that the oat acreage should also be approximately that of last year, and that barley acreage should be increased about 9 per cent. Some criticism arose in discussion of the recommendation that the wheat acreage should not be increased. It was pointed out that it might be inadvisable for Canada to suggest no increase in wheat acreage when many of the people of Continental Europe were desperately short of bread. It was the opinion of some of the delegates that the recommendation would leave too small a carryover and would tend to produce too large a quantity of coarse grains. An increase in wheat acreage of two or three million acres at the expense of summerfallow was urged by some of the producer representatives of Western Canada.

In reviewing the discussion, Hon. J. G. Gardiner reminded the Conference that since 1940, when Canada had sufficient wheat for three years marketing on hand, efforts had been made to reduce this over abundant carryover. He

contrasted the proposed wheat carryover with that for oats and barley, and suggested that if farmers were to produce livestock in Western Canada, they should carry at least one year's supply of feed on their own farms.

With regard to coarse grains, the fact was, that there was not enough feed to care for all the livestock which Canada had undertaken to produce for Great Britain, and the feed must come from the West. With regard to the reduction of summerfallow, he pointed out that of the 60 million acres in grain in Western Canada, approximately 20 million acres should be maintained in summerfallow. The proposed wheat acreage for 1946 was just about the figure for Canada reached at the International Wheat Conference at which, though no agreement as to world price was concluded, agreement as to acreage for the principal producing countries was reached. Mr. Gardiner felt it was dangerous to take land out of summerfallow as all records show that reduced yield followed the reduction of fallow land. Such action could well have the very opposite effect to the one desired. During 1941, Western farmers were paid to reduce wheat acreage and increase summerfallow, and it did not seem logical only four years later to ask them to reverse their program at a time when such a desirable balance between wheat acreage and summerfallow had been achieved. It had never been necessary to ration bread in England, but livestock products were in short supply and were required from Canada. Actually a saving could be made in wheat if sufficient oats and barley were grown, for this would reduce the quantity of wheat which would be used as feed.

In reviewing the report of livestock and meats, it was pointed out that without meat rationing in Canada only about 410 million pounds of bacon would have been available for shipment to Great Britain by the end of 1946. Under rationing, it seemed likely that the minimum requirement of 450 million pounds would be reached. With regard to cattle, it was hoped that the promised 200 million pounds would be available. The commitment for canned meats was 114 million pounds, and to date 109 million pounds had been purchased by the Meat Board.

The need for maintaining milk production at high levels was stressed in the report on dairy products. While the sharp rise in fluid milk sales, which took place during the 1940-44 period did not continue so strongly through 1945, the demand for all dairy products remained high at somewhat above last year's levels.

While poultry marketings were estimated at somewhat below the peak figure of 315 million pounds in 1944, egg production in 1945 was estimated at 370.6 million dozen, the highest figure in Canada's history, exceeding the previous year by 34 million dozen. It was estimated that 1946 production would be 12 million dozen less than in 1945, but that this quantity would be about sufficient to meet the continued heavy domestic use resulting from meat rationing and to fill the 1946 contract with the United Kingdom.

Dr. F. H. Lehberg, Oils and Fats Administrator, spoke of the continued world shortage of oils and mentioned that available linseed oil was being diverted into the edible market to supplement lard, while the paint industry was still on a 70 per cent quota.

On the final day of the Conference each provincial minister of agriculture, or his representative, addressed the delegates and there was general agreement that the reports should be adopted, and a promise was made of full co-operation to support the recommendations through provincial channels.

Mr. H. H. Hannam, President and Managing Director of the Canadian Federation of Agriculture, also addressed the Conference.

It was the general opinion that the Conferences served a most useful purpose and that they should be continued. This was particularly true, as it was considered that the time was rapidly approaching when agricultural production would have to be adjusted to meet the needs of a longtime normal economy, rather than to be geared to the requirements of an emergency wartime condition. In this connection, the suggestion was made that at the next Conference, a report might be presented dealing with international trade in relation to Canadian agriculture. The question of stability of prices was stressed by most speakers and it was suggested that stabilization of prices for all agricultural products throughout Canada was necessary for a healthy Canadian agriculture. It was also considered most important by the speakers that study be made of the various subsidies now being paid to assist agriculture and that any adjustments undertaken should be such as to keep agricultural prices in balance with returns received by other industries.

In his closing address Mr. Gardiner thanked the delegates for their co-operation in making the Conference a success. He referred again to the Agricultural Prices Support Act, which would go into effect when the War Measures Act and the National Emergency Transitional Powers Act 1945 ceased. At that time difficulties of provincial rights in connection with farm prices would arise and these would have to be resolved. All costs and subsidies would have to be taken into account in arriving at prices. A year hence conditions may be drastically changed and the whole situation would have to be reviewed in the light of the new conditions. While England and Europe will long remain Canada's best market, many people may not have realized the difficult situation which has developed in Canada owing to wartime necessity. For example, even trading in agricultural products with the United States had become almost impossible owing to different price levels, exchange rates, embargoes, and restrictions brought about in large measure by the war. It should be assumed that these difficulties will be removed and we may hope that this may be done during the coming year—otherwise, how can we look even farther afield and talk of mutual trade among nations.

Difficulties still arose from insufficient farm labour, and the demand for farm equipment still exceeded supply. More and more attention needs to be given to farm prices within Canada, and this will become largely a provincial matter with the lapsing of the wartime legislation. Everything should be done to get a fair price for the farmer.

GRAIN AND FORAGE CROPS

In the season of 1946 it would be helpful if an increased production of feed grains could be secured. Experience has shown, however, that increased production cannot be secured, particularly in the drought periods, by increasing acreage at the expense of summerfallow, and for this reason the summerfallow acreage should be maintained, or even increased. It is suggested that in 1946 a greater percentage of wheat and barley acreage might well be sown on summerfallow. The world demand for livestock products is still strong and Canadian agriculture would be improved by maintaining the production of livestock products at as high a level as possible. At the same time the decrease in the production of hogs can only be arrested if there is an increase in the production of feed grains.

Wheat.—A wheat acreage of 23,414,000 acres for the whole of Canada and 22,566,000 for the three prairie provinces is suggested for 1946.

TABLE 1.—WHEAT ACREAGE AND RECOMMENDATIONS FOR 1946

	Average 1935-39	Average 1940-44	1945	1946	1946 of 1945	
	ac.	ac.	ac.	ac.	%	100
Canada	25,595,400	22,465,760	23,414,100	23,414,100		
Prince Edward Island.....	19,400	9,040	4,000	4,000		100
Nova Scotia.....	3,600	2,240	1,300	1,300		100
New Brunswick.....	13,700	4,540	2,400	2,400		100
Quebec.....	51,300	28,560	23,400	23,400		100
Ontario.....	744,300	719,840	711,000	711,000		100
Manitoba.....	2,880,000	2,405,960	2,132,000	2,132,000		100
Saskatchewan.....	13,973,800	12,592,600	13,610,000	13,610,000		100
Alberta.....	7,843,800	6,617,000	6,824,000	6,824,000		100
British Columbia.....	65,500	85,980	106,000	106,000		100

SUPPLY SITUATION

	Average 1935-39	Average 1940-44	1944-45	1945-46 Preliminary	1946-47 Estimated
(million bushels)					
Stocks at beginning of year.....	101	431	357	258	75
Production.....	312	426	436	309	375
Imports.....					
Total Supplies.....	413	857	793	580	450
Exports.....	180	271	343	330	225
Available for domestic use.....	233	586	450	250	225
Domestic Utilization.....	115	164	192	175	150
Carryover end of year.....	118	422	258	75	75

Oats.—It is desirable that the oat acreage in 1946 be maintained approximately at that of 1945. It is possible that wheat acreage in the prairie provinces may expand somewhat at the expense of oats, but an expected increase planted to coarse grains in Ontario and Quebec will tend to offset this possibility. The suggested acreage for oats is shown as 14,310,200 acres, which is only slightly less than the amount planted in 1945, and is slightly above the 1940-44 average.

TABLE 2.—OATS ACREAGE AND RECOMMENDATIONS FOR 1946

	Average 1935-39	Average 1940-44	1945	1946	1946 of 1945
	ac.	ac.	ac.	ac.	%
CANADA	13,246,500	13,613,520	14,393,200	14,310,200	99
Prince Edward Island.....	150,900	127,200	119,000	119,000	100
Nova Scotia.....	92,000	73,160	68,200	68,200	100
New Brunswick.....	214,400	201,740	202,000	202,000	100
Quebec.....	1,677,700	1,684,040	1,654,000	1,684,000	102
Ontario.....	2,304,700	1,871,600	1,522,000	2,022,000	133
Manitoba.....	1,427,300	1,465,500	1,697,000	1,645,500	97
Saskatchewan.....	4,484,200	4,986,860	5,717,000	5,320,000	93
Alberta.....	2,803,700	3,119,120	3,335,000	3,170,500	95
British Columbia.....	111,600	84,300	79,000	79,000	100

TABLE 2.—OATS ACREAGE AND RECOMMENDATIONS FOR 1946—*Concluded*
SUPPLY SITUATION

—	Average 1935-39	Average 1940-44	1944-45	1945-46 Preliminary	1946-47 Estimated
(million bushels)					
Stocks at beginning of year.....	31	75	108	98	46
Production.....	338	464	500	388	424
Imports.....					
Total Supplies.....	369	539	608	486	470
Exports.....	14	50	92	15	20
Available for Domestic Use.....	355	489	516	471	450
Domestic Utilization.....	320	404	418	425	425
Carryover end of year.....	35	85	98	46	25

Barley.—The greatest possible barley acreage is desired in 1946. Barley might advantageously take the place of wheat over large areas in central and southwestern Saskatchewan where an early ripening barley sown early on summerfallow has proved a greater insurance against drought and sawfly than has the sowing of wheat. A barley acreage for all of Canada of at least 8,000,000 acres is recommended.

TABLE 3.—BARLEY ACREAGE AND RECOMMENDATIONS FOR 1946

—	Average 1935-59	Average 1940-44	1945	1946	1946 of 1945
—	ac.	ac.	ac.	ac.	%
CANADA	4,291,400	6,461,180	7,350,000	8,000,000	109
Prince Edward Island.....	6,400	13,500	13,700	13,700	100
Nova Scotia.....	9,300	12,140	10,000	10,000	100
New Brunswick.....	14,200	17,800	13,300	13,300	100
Quebec.....	161,600	146,820	133,000	133,000	100
Ontario.....	532,800	365,200	305,000	305,000	100
Manitoba.....	1,327,200	1,854,400	2,139,000	2,342,000	109
Saskatchewan.....	1,195,600	2,278,900	2,672,000	2,920,000	109
Alberta.....	1,030,700	1,752,780	2,048,000	2,242,000	109
British Columbia.....	13,600	19,640	16,500	16,500	100

SUPPLY SITUATION

—	Average 1935-39	Average 1940-44	1944-45	1945-56 Preliminary	1946-47 Estimated
(million bushels)					
Stocks at beginning of year.....	8	30	46	29	15
Production.....	89	177	195	161	192
Imports.....					
Total Supplies.....	97	207	241	190	207
Exports.....	14	23	41		
Available for Domestic Use.....	83	184	200	190	207
Domestic Utilization.....	74	151	171	175	175
Carryover end of year.....	9	33	29	15	32

Rye.—The area seeded to rye in 1945 marked a substantial decrease from the 1944 acreage. It is recommended that the area devoted to this crop in 1946 should not exceed the acreage grown in 1945, as indicated in Table 4.

TABLE 4.—RYE ACREAGE AND RECOMMENDATIONS FOR 1946

	Average 1935-39	Average 1940-44	1945	1946	1946 of 1945
	ac.	ac.	ac.	ac.	%
CANADA	816,300	911,410	487,100	487,100	100
Prince Edward Island.....					
Nova Scotia.....					
New Brunswick.....					
Quebec.....	6,500	10,500	8,400	8,400	100
Ontario.....	67,400	74,080	67,500	67,500	100
Manitoba.....	142,700	123,960	26,000	26,000	100
Saskatchewan.....	433,500	543,200	259,000	259,000	100
Alberta.....	161,500	156,970	125,000	125,000	100
British Columbia.....	4,700	2,700	1,200	1,200	100

SUPPLY SITUATION

	Average 1935-39	Average 1940-44	1944-45	1945-46 Preliminary	1946-47 Estimated
	(million bushels)				
Stocks at beginning of year.....	2,236	6,895	5,576	2,010	1,042
Production.....	9,190	13,222	8,526	6,452	6,332
Imports.....					
Total Supplies.....	11,426	20,117	14,102	8,342	7,374
Exports.....	2,612	4,268	4,489	2,200	2,200
Available for Domestic Use.....	8,813	15,849	9,613	6,142	5,174
Domestic Utilization.....	6,139	9,622	7,603	5,100	4,000
Carryover end of year.....	2,674	6,227	2,010	1,042	1,174

Mixed Grain.—No change in the acreage seeded to mixed grain is recommended for 1946-47. The areas devoted to mixed grains in the different provinces, are indicated in Table 5.

TABLE 5.—MIXED GRAIN ACREAGE AND RECOMMENDATIONS FOR 1946

	Average 1935-39	Average 1940-44	1945	1946	1946 of 1945
	ac.	ac.	ac.	ac.	%
CANADA	1,165,900	1,486,940	1,453,400	1,453,400	100
Prince Edward Island.....	29,700	47,640	54,200	54,200	100
Nova Scotia.....	6,200	6,460	5,700	5,700	100
New Brunswick.....	3,600	10,360	11,900	11,900	100
Quebec.....	139,200	236,760	258,000	258,000	100
Ontario.....	914,500	1,024,300	943,000	943,000	100
Manitoba.....	22,700	36,140	41,700	41,700	100
Saskatchewan.....	25,200	62,660	71,000	71,000	100
Alberta.....	20,400	56,620	62,600	62,600	100
British Columbia.....	4,400	5,800	5,300	5,300	100

SUPPLY SITUATION

	Average 1935-39	Average 1940-44	1944-45	1945-56 Preliminary	1946-47 Estimated
	(thousand bushels)				
Production.....	38,507	50,700	57,431	45,712	49,416

Husking Corn.—In 1945 there was a reduction in the acreage due largely to weather conditions. It is suggested that the recommended acreage for 1946 be the same as that recommended for 1945, viz., 350,000 acres. This acreage, on the basis of an average yield, would provide a total crop of about 16,000,000 bushels.

The greater part of the increased acreage suggested has been assigned to Ontario for obvious reasons.

TABLE 6.—HUSKING CORN ACREAGE AND RECOMMENDATION FOR 1946

	Average 1935-39	Average 1940-44	1945	1946	1946 of 1945
	ac.	ac.	ac.	ac.	%
CANADA	172,200	272,880	237,000	350,000	148
Ontario.....	172,200	223,880	227,000	310,000	137
Manitoba.....		49,000	10,000	40,000	400

SUPPLY SITUATION

	Average 1935-39	Average 1940-44	1944-45	1945-56 Preliminary	1946-47 Estimated
	(thousand bushels)				
Production.....	7,010	10,833	11,700	10,445	15,750
Imports.....	11,507	4,704	2,290	5,000	5,000
Total Supplies.....	18,517	15,537	13,990	15,445	20,750
Exports.....					
Available for Domestic Use.....	18,517	15,537	13,990	15,445	20,750

Summerfallow.—It is important that a constant acreage of approximately 20,000,000 acres of summerfallow be maintained in the Prairie Provinces. Accordingly it is recommended that a summerfallow acreage at least equal to 1945 be maintained in 1946.

TABLE 7.—SUMMERFALLOW ACREAGE IN THE PRAIRIE PROVINCES AND RECOMMENDATIONS FOR 1946

	Average 1935-39	Average 1940-44	1945	1946	1946 of 1945
	ac.	ac.	ac.	ac.	%
Manitoba.....	1,978,600	2,297,740	1,990,000	1,990,000	100
Saskatchewan.....	9,115,820	11,862,750	11,692,000	11,692,000	10
Alberta.....	4,588,020	5,935,680	5,715,000	5,715,000	100
Prairie Provinces.....	15,682,440	20,096,170	19,397,000	19,397,000	

Hay and Clover.—It is not recommended that there be any appreciable change in the 1946 acreage seeded to grass and clover from 1945, except in so far as these acreages may give way to the seeding of alfalfa.

TABLE 8.—HAY AND CLOVER ACREAGES AND RECOMMENDATIONS FOR 1946

	Average 1935-39	Average 1940-44	1945	1946	1946 of 1945
	ac.	ac.	ac.	ac.	%
CANADA	8,766,400	9,602,500	9,975,000	9,975,000	100
Prince Edward Island.....	225,800	223,760	218,000	218,000	100
Nova Scotia.....	402,100	402,060	438,000	438,000	100
New Brunswick.....	569,100	604,880	656,000	656,000	100
Quebec.....	3,595,400	3,957,460	4,207,000	4,207,000	100
Ontario.....	2,798,000	2,946,220	2,764,000	2,764,000	100
Manitoba.....	445,100	425,580	419,000	419,000	100
Saskatchewan.....	221,600	303,800	350,000	350,000	100
Alberta.....	335,400	537,440	692,000	692,000	100
British Columbia.....	153,900	201,300	231,000	231,000	100

SUPPLY SITUATION

	Average 1935-39	Average 1940-44	1944-45	1945-46 Preliminary	1946-47 Estimated
	(thousand tons)				
Production.....	13,615	15,021	15,102	17,637	14,963

Alfalfa.—Increased acreages of alfalfa in the areas to which this crop is well adapted are usually desirable. Because of its high feeding value, and its perennial characteristics, alfalfa might advantageously replace less desirable forage crops in some locations.

TABLE 9.—ALFALFA ACREAGE AND RECOMMENDATIONS FOR 1946

	Average 1935-39	Average 1940-44	1945	1946	1946 of 1945
	ac.	ac.	ac.	ac.	%
CANADA	854,300	1,373,220	1,600,600	1,600,600	100
Prince Edward Island.....					
Nova Scotia.....					
New Brunswick.....					
Quebec.....	14,700	50,500	72,000	72,000	100
Ontario.....	614,600	762,400	795,000	795,000	100
Manitoba.....	41,100	178,920	285,000	285,000	100
Saskatchewan.....	22,100	117,840	101,400	101,400	100
Alberta.....	84,400	196,780	274,700	274,700	100
British Columbia.....	50,400	66,780	72,500	72,500	100

SUPPLY SITUATION

	Average 1935-39	Average 1940-44	1944-45	1945-46 Preliminary	1946-47 Estimated
	(thousand tons)				
Production.....	2,052	3,344	3,783	3,948	3,841

LIVESTOCK AND MEATS

The total output of meat in Canada in 1945 showed a decline of 15 per cent from the record production of the previous year. According to preliminary estimates the total supply, including both inspected and non-inspected production and allowing for changes in storage stocks, is tentatively placed at slightly more than 2·4 billion pounds. Of this total, 1·7 billion pounds was the production of inspected plants. Inspected slaughterings of hogs showed a decrease of almost 33 per cent in 1945 but inspected slaughterings of all other kinds of stock increased.

Export shipments of meats, both fresh and canned, principally to the United Kingdom have continued at high levels although the reduced production of hogs was reflected in reduced exports of bacon. Beef, mutton and lamb exports shows a considerable increase although not sufficient to offset the decreased bacon shipments. All export supplies as well as 112 million pounds for non-civilian priority use (Armed Forces stationed in Canada and ships' stores) were drawn from inspected plants. The remainder of inspected production, 950 million pounds, and the 648 million from non-inspected sources including farm kill, was available for domestic consumption.

In 1946 a further decline in total meat production is anticipated. If hog slaughterings attain the level recommended on the basis of requirements and if expected marketings of other kinds of live-stock materialize, the total meat supply in 1946 will be about 2·41 billion pounds.

The estimate of domestic meat requirements was based on the assumption of continued consumer rationing, with pork consumption restricted to an average of the 1942 and 1943 domestic disappearance.

TABLE 10.—ALL MEATS: SUPPLIES AND DISPOSITION, 1945

—	Pork	Beef	Veal	Mutton and Lamb	Total Meats
			(000 lb.)		
Production¹					
From inspected slaughter.....	714,166	873,873	92,820	47,360	1,728,219
From non-inspected slaughter.....	310,500	264,000	50,248	17,205	647,953
Total output.....	1,024,666	1,137,873	149,068	64,565	2,376,172
Total Supply²	1,045,352	1,156,016	148,343	70,528	2,420,239
For Export to U.K.:					
Fresh or cured.....	410,000	174,873	.....	6,567	591,440
Canned ³	8,250	80,000	.....	.....	88,250
Other exports.....	17,000	13,000	.....	433	30,433
Total exports.....	435,250	267,873	.....	7,000	710,123
For Domestic Use:					
Civilian non-inspected.....	310,500	264,000	56,248	17,205	647,953
Civilian inspected.....	258,727	560,143	89,567	41,468	949,905
Non-civilian inspected.....	40,875	64,000	2,528	4,855	112,258
Total, domestic.....	610,102	888,143	148,343	63,528	1,710,116

¹ Chilled carcass basis, not including lard, tallow or offals.

² Adjustment made for imports and storage stocks.

³ Converted to carcass basis.

TABLE 11.—ALL MEATS: PRELIMINARY ESTIMATED SUPPLIES AND DISPOSITION,
BASED ON RECOMMENDATIONS AND ESTIMATED PRODUCTION, 1946³

—	Pork	Beef	Veal	Mutton and Lamb	Total Meats
Production¹					
From inspected slaughter.....	746,442	873,873	98,116	45,832	1,764,263
From non-inspected slaughter.....	310,500	264,000	56,248	17,205	647,953
Total output.....	1,056,942	1,137,873	154,364	63,037	2,412,216
Total Supply²	1,056,942	1,137,873	154,364	63,037	2,412,216
Domestic Requirements:					
Civilian.....	559,242	712,338	152,342	46,720	1,470,642
Non-civilian.....	32,700	51,117	2,022	3,884	89,723
Total, domestic.....	591,942	763,455	154,364	50,604	1,560,365
Available for Export	465,000	374,418	.....	12,433	851,851

¹ Preliminary recommendations of production, chilled carcass basis excluding lard, tallow and offals.

² Adjustment made for imports and storage stocks.

³ Provided recommendation for hogs and estimates for other livestock attained.

Hogs.—In 1945 inspected slaughterings of hogs dropped some 33 per cent from the record established in 1944. The output of bacon from inspected establishments is estimated at about 714 million pounds and the output of lard at 69 million pounds. In addition, it is estimated that approximately 310 million pounds of pork were available from non-inspected sources, making a grand total of 1,025 million pounds. When changes in storage stocks are considered, the total supply of cured and fresh pork for 1945 was about 1,045 million pounds.

The approximate disposition of the 1945 supply of pork products is shown in table 12. All exports and non-civilian priority requirements are drawn from inspected production while civilian requirements are met from both non-inspected and inspected supplies. Total exports of pork products, which includes bacon, pork and canned pork on a carcass basis, are expected to reach 435 million pounds. Of the estimated total 610 million pounds for domestic use, 310 million pounds are from non-inspected sources, 259 million pounds from inspected sources and 41 million pounds are allocations to priority users and drawn from inspected sources.

An objective of six million hogs has been set for the inspected slaughter in 1946. This is the minimum number which would make possible completion of the contract with the United Kingdom for 450 million pounds of bacon, and at the same time provide supplies in a rationed domestic market at a level which should prevent the development of a tendency to divert marketings into non-inspected channels.

While there are indications that marketings in 1946 may not reach this total, the confidence of producers in attempting to attain it should be increased by the prospect that any possible reduction in export requirements in 1947 may be more than offset by removal of present restrictions on supplying of domestic demand for pork products.

TABLE 12.—PORK PRODUCTS: PRODUCTION FROM INSPECTED SLAUGHTERINGS, SUPPLIES AND DISTRIBUTION

(Carcass Basis)

	Unit	1935-39 Average	1940-44 Average	1945 Preliminary Estimate	1946 Recom- mended
Inspected slaughterings.....	000 hd.	3,387	6,773	5,700	6,000
Average carcass weight ¹	lb.	149	161	162	160
Total carcass weight ²	000 lb.	489,479	1,057,880	895,698	931,200
Production—					
Bacon and Pork.....	000 lb.	383,443	849,270	714,166	746,442
Lard.....	000 lb.	50,131	93,162	69,046	79,401
Total Available Supply³—					
Bacon and Pork.....	000 lb.	387,485	857,770	734,852	746,442
Lard.....	000 lb.	49,909	92,998	71,486	79,401
For Domestic Use⁴—					
Bacon and Pork.....	000 lb.	207,855	306,232	299,602	281,442
Lard.....	000 lb.	30,424	84,310	68,696	77,401
Available for Export—					
Bacon and Pork.....	000 lb.	179,630	551,538	435,250	465,000
Lard.....	000 lb.	19,485	8,688	3,200	2,000

¹ Warm dressed basis including head, feet, leaf lard, kidney and kidney fats.² Chilled basis. (97 per cent of warm dressed weight).³ Adjustment made for imports and storage stocks.⁴ Includes both civilian and priority users.

TABLE 13.—HOGS: MARKETINGS BY PROVINCE OF ORIGIN WITH RECOMMENDATIONS FOR 1946

	1935-39 Average	1940-44 Average	1945 Preliminary	1946 Recom- mended	1946 of 1945
	No.	No.	No.	No.	%
CANADA.....	3,338,537	6,783,858	5,900,000	6,118,000	104
British Columbia.....	*	29,573	41,000	41,000	100
Alberta.....	948,436	2,197,820	1,935,000	2,000,000	103
Saskatchewan.....	421,916	1,162,758	930,000	930,000	100
Manitoba.....	262,535	648,419	470,000	500,000	106
Ontario.....	1,566,563	2,135,526	1,847,000	2,000,000	108
Quebec.....	272,753	509,873	565,000	565,000	100
New Brunswick.....	20,161	31,440	35,000	35,000	100
Nova Scotia.....	4,838	10,846	18,000	18,000	100
Prince Edward Island.....	41,118	57,612	59,000	59,000	100

*Not reported.

Cattle.—Inspected slaughterings of cattle continued to increase in 1945 when a record kill of approximately 1.82 million head occurred. This is about 26 per cent greater than 1944. The average dressed weights of inspected slaughterings of cattle declined, however, by a further 2 pounds during the past year and are now comparable with the 1942 weight, but are still 37 pounds higher than for pre-war years. The estimated production of dressed beef in 1945 is almost 874 million pounds. When non-inspected production is considered, and adjustments are made for changes in storage stocks, the total production of beef is estimated to be 1.16 billion pounds.

Exports to the United Kingdom of fresh, frozen or canned beef are expected to amount to about 255 million pounds, carcass basis in 1945. Inspected production of 874 million pounds provide 64 million pounds for priority users and 560 million pounds for civilian consumption. In addition, an estimated 264 million pounds of non-inspected beef was available for civilian consumption.

Inspected slaughterings, even at reduced average dressed weights, would provide about 874 million pounds of carcass beef in 1946. Of this amount, it is estimated that about 374 million pounds will be available to meet export commitments. Expansion of the number of cattle on farms beyond that estimated for 1946 is not recommended. It is considered advisable for producers to take advantage of the good market for beef and reduce cattle numbers, both beef and dairy type, by liquidating stock of inferior quality.

TABLE 14.—BEEF: PRODUCTION FROM INSPECTED SLAUGHTERINGS, SUPPLIES AND DISTRIBUTION

(Carcass Basis)

—	Unit	1935-39 Average	1940-44 Average	1945 Preliminary	1946 Estimated
Inspected slaughterings.....	000 hd.	873	1,048	1,820	1,820
Average carcass weight ¹	lb.	463	489	500	495
Total carcass weight ²	000 lb.	392,149	576,039	873,873	873,873
Total available supply ³	000 lb.	401,441	576,212	892,016	873,873
For domestic use ⁴	000 lb.	380,052	535,405	624,143	499,455
Available for export	000 lb.	10,899	40,807	267,873	374,418

¹ Warm dressed basis not including hide, head, tail, feet, kidneys and kidney fats.

² Chilled basis (97 per cent of warm dressed weight).

³ Adjustment made for imports and storage stocks.

⁴ Includes both civilian and priority users.

TABLE 15.—CATTLE¹: MARKETINGS BY PROVINCE OF ORIGIN WITH ESTIMATE FOR 1946

—	1935-39 Average	1940-44 Average	1945 Preliminary	1946 Estimate	1946
					%
CANADA	1,031,947	1,141,184	1,840,000	1,840,000	100
British Columbia.....	2,952	39,468	56,000	.....	.....
Alberta.....	246,861	260,146	468,000	.....	.....
Saskatchewan.....	205,923	217,783	424,000	.....	.....
Manitoba.....	121,072	126,669	188,000	.....	.....
Ontario.....	407,764	421,413	590,000	.....	.....
Quebec.....	40,624	65,269	97,000	.....	.....
New Brunswick.....	2,572	3,626	7,000	.....	.....
Nova Scotia.....	954	1,631	3,000	.....	.....
Prince Edward Island.....	3,227	5,179	7,000	.....	.....

¹ Commercial marketings less stockers and feeders, stock cows and heifers, milkers and springers and direct exports of dairy cattle.

Veal Calves.—Preliminary estimates place inspected slaughterings of veal calves in 1945 at 780 thousand head which is an increase of almost 120 thousand head over 1944. The total supply of veal, including production from both inspected and non-inspected establishments and taking into consideration stock changes, is placed at 148 million pounds. Non-civilian priority users were allocated 2·5 million pounds, the remainder being available for civilian domestic consumption.

Further increases in inspected slaughterings are anticipated and recommended up to 850 thousand head in 1946. This reflects the tendency to reduce cattle numbers. The present high number of cows on farms is another factor affecting this estimate. Such an increase in inspected slaughterings would result in an increase of 6 million pounds of veal, all of which would be available for domestic consumption.

TABLE 16.—VEAL: PRODUCTION FROM INSPECTED SLAUGHTERINGS, SUPPLIES AND DISTRIBUTION
(Carcass Basis)

—	Unit	1935-39 Average	1940-44 Average	1945 Preliminary	1946 Estimated
Inspected slaughterings.....	000 hd.	650	669	780	850
Average carcass weight ¹	lb.	108	114	119	119
Total carcass weight ²	000 lb.	67,756	73,800	92,820	98,116
Total available supply ³	000 lb.	67,423	73,614	92,095	98,116
For domestic use ⁴	000 lb.	67,423	73,614	92,095	98,116
Available for export.....	000 lb.	.....	.....	.....	.....

¹ Warm dressed basis, not including skin and head but including kidney fats.

² Chilled basis (97 per cent of warm dressed weight).

³ Adjustment made for imports and storage stocks.

⁴ Includes both civilian and priority users.

TABLE 17.—CALVES: MARKETINGS BY PROVINCE OF ORIGIN WITH ESTIMATE FOR 1946

—	1935-39 Average	1940-44 Average	1945 Preliminary	1946 Estimated	1946 of 1945
	No.	No.	No.	No.	No.
CANADA	739,629	752,806	800,000	900,000	112
British Columbia.....	268	4,256	30,000	3,000	100
Alberta.....	113,102	90,799	94,000	110,000	117
Saskatchewan.....	93,784	76,431	83,000	95,000	114
Manitoba.....	95,889	90,544	80,000	95,000	119
Ontario.....	284,709	261,828	292,000	320,000	110
Quebec.....	136,569	203,095	225,000	250,000	111
New Brunswick.....	10,392	17,669	11,000	12,000	109
Nova Scotia.....	1,860	2,711	8,000	10,000	125
Prince Edward Island.....	3,056	5,473	4,000	5,000	125

Sheep and Lambs.—Inspected slaughterings of sheep and lambs are estimated at approximately 1,085,000 head in 1945. In addition, exports of live sheep and lambs to the United States amounted to 92,000 head. The total supply of mutton and lamb from inspected and non-inspected plants is estimated at about 70 million pounds. Anticipated exports during the year are placed at approximately 7 million pounds, non-civilian priority users' allocation is placed at about 5 million pounds, the remainder of 63 million pounds being available for domestic consumption.

With decreased numbers of sheep on farms in 1945, inspected slaughterings of sheep and lambs in 1946 have been tentatively estimated at 1,050,000 head. The Meat Board is prepared to take all surplus mutton and lamb for export during the coming year and such exports may be expected to increase materially over 1945.

TABLE 18.—MUTTON AND LAMB: PRODUCTION FROM INSPECTED SLAUGHTERINGS,
SUPPLIES AND DISTRIBUTION
(Carcass Basis)

	Unit	1935-39 Average	1940-44 Average	1945 Preliminary	1946 Estimated
Inspected slaughterings.....	000 hd.	820	850	1,085	1,050
Average carcass weight ¹	lb.	42	44	45	45
Total carcass weight ²	000 lb.	34,295	37,409	47,360	45,832
Total available supply ³	000 lb.	33,266	36,286	53,323	45,832
For domestic use ⁴	000 lb.	33,665	36,542	46,323	35,399
For export.....	000 lb.	248	728	7,000	10,433

¹ Warm dressed basis, not including head and skin but including kidney fats.

² Chilled basis (97 per cent of warm dressed weight).

³ Adjustment made for imports and storage stocks.

⁴ Includes both civilian and priority users.

TABLE 19.—SHEEP AND LAMBS: MARKETINGS BY PROVINCE OF ORIGIN WITH ESTIMATE FOR 1946

	1935-39 Average	1940-44 Average	1945 Preliminary	1946 Estimated	1946 of 1945
	No.	No.	No.	No.	No.
CANADA	787,992	872,409	1,200,000	1,100,000	92
British Columbia.....	445	38,594	42,000	37,000	88
Alberta.....	223,071	225,465	490,000	450,000	92
Saskatchewan.....	82,336	98,651	112,000	95,000	85
Manitoba.....	86,376	100,943	109,000	90,000	83
Ontario.....	248,520	239,054	268,000	260,000	97
Quebec.....	123,328	150,654	161,000	150,000	93
New Brunswick.....	7,184	7,363	9,000	9,000	100
Nova Scotia.....	1,172	2,227	1,000	1,000	100
Prince Edward Island.....	8,832	9,458	8,000	8,000	100

Wool.—The reduction in the number of sheep on farms has been reflected in a decline in wool production. Preliminary estimates of the 1945 wool crop indicate a clip of about 14.6 million pounds, a decrease of 0.5 million pounds from the 1944 wool clip. If the downward trend in the number of sheep on farms continues, further reductions in wool production may be expected. The 1946 clip has been tentatively estimated at 13.2 million pounds, a reduction of 9 per cent from 1945.

TABLE 20.—PRODUCTION OF SHORN WOOL IN CANADA, WITH ESTIMATE FOR 1946

	1935-39 Average	1940-44 Average	1945 Preliminary	1946 Estimated
	(000 lbs)			
CANADA	12,243	13,021	14,600	13,200
Prince Edward Island.....	177	184	213	.....
Nova Scotia.....	443	483	432	.....
New Brunswick.....	356	339	344	.....
Quebec.....	1,856	1,843	2,001	.....
Ontario.....	3,230	2,851	2,815	.....
Manitoba.....	837	1,093	1,058	.....
Saskatchewan.....	1,416	1,820	2,361	.....
Alberta.....	3,377	3,843	4,668	.....
British Columbia.....	550	535	674	.....

DAIRY PRODUCTS

Preliminary estimates of milk production for 1945 indicate that production will be approximately the same as 1944 or about 17·6 billion pounds. Increased production in Eastern Canada and British Columbia in 1945 was offset by a substantial decrease in the Prairie Provinces.

Recommendations for 1946 call for a total milk production of slightly less than 18·0 billion pounds, an increase of two per cent over the 1945 total. It has been assumed in arriving at this total that the quantity of milk consumed on farms, fed to stock and used for production of dairy butter and ice cream will be approximately the same as 1945. Fluid milk sales became somewhat stabilized during the first half of 1945 but since July, sales have continued to increase rapidly. This increase is attributed partly to the payment of family allowances, but is also due to the increase in the civilian population as the armed forces are returned from overseas. It is expected that fluid milk sales will be further increased in 1946.

Creamery Butter.—The total requirement for creamery butter for 1946 is 310 million pounds. This is based on a seven ounce per week ration for domestic consumption plus an annual export commitment of approximately 5 million pounds to the British West Indies and Newfoundland. This requirement represents an increase over the 1945 disappearance largely due to the increase in the population in Canada.

To achieve this requirement for creamery butter an increase of 17 million pounds over 1945 production will be necessary and unless the downward trend of production in the Prairie Provinces is reversed it is doubtful if this recommendation will be realized.

TABLE 21.—CREAMERY BUTTER PRODUCTION AND RECOMMENDATIONS FOR 1946

Province	1935-39 Average	1940-44 Average	1945 Prelimi- nary	Recom- mended 1946	1946 of 1945
(000 pounds)					
CANADA	254,772	289,026	293,252	310,000	106
Prince Edward Island.....	2,073	3,293	4,267	4,600	107
Nova Scotia.....	5,784	6,776	7,335	8,000	109
New Brunswick.....	3,722	5,503	7,500	8,000	107
Quebec.....	76,487	78,194	88,167	93,100	106
Ontario.....	85,659	82,275	77,328	85,300	110
Manitoba.....	24,223	31,106	26,979	28,700	106
Saskatchewan.....	23,889	40,537	40,864	41,300	102
Alberta.....	27,180	35,708	34,649	34,600	100
British Columbia.....	5,732	5,634	6,160	6,400	104

SUPPLY SITUATION

—	1935-39 Average	1940-44 Average	1945 Prelimi- nary	Recom- mended 1946
(000 pounds)				
Stocks at beginning of year.....	34,262	37,787	40,790	36,200
Production.....	254,772	289,026	293,252	310,000
Imports.....	1,114	216	3	.....
Total Supplies.....	290,148	327,029	334,045	350,000
Exports.....	6,642	3,711	4,900	5,500
Available for Domestic Use.....	274,314	285,698	292,945	304,500

The production of creamery butter in Quebec continues to increase and the recommendation for 1946 calls for a total of 93·1 million pounds, an increase of 6·0 per cent over the 1945 total. The recommended output for Ontario has been placed at 85·3 million pounds which represents a production equal to the 1935-39 average. Recommended production for the three Prairie Provinces for 1946 is slightly higher than production for 1945. Production recommendations for the other four provinces, Prince Edward Island, Nova Scotia, New Brunswick and British Columbia are all above 1945 output.

Cheddar Cheese.—The production of cheddar cheese in 1945 estimated at 180·7 million pounds, exceeded the objective by approximately 2·5 million pounds. This enabled the fulfilment of the 1945-46 contract. In view of the increased need for creamery butter and the improved position of cheese with respect to the supply position for domestic consumption, the production recommended for cheddar cheese in 1946 has been set at 180 million pounds. This amount would provide for the filling of the contract with the British Ministry of Food which calls for delivery of 125 million pounds of cheese for the year ending March 31, 1947, and in addition would provide 5 million pounds for export to other countries and 50 million pounds for the domestic market.

TABLE 22.—CHEDDAR CHEESE PRODUCTION AND RECOMMENDATIONS FOR 1946

Province	1935-39 Average	1940-44 Average	1945 Preliminary	Recom- mended 1946	1946 of 1945
(000 pounds)					
CANADA	119,922	168,647	189,662	180,000	100
Prince Edward Island.....	376	859	931	1,000	107
New Brunswick.....	480	1,072	1,074	1,200	111
Quebec.....	26,420	49,558	59,814	59,000	99
Ontario.....	87,081	108,583	110,110	110,000	100
Manitoba.....	2,668	4,141	3,608	3,600	100
Saskatchewan.....	441	451	390	400	100
Alberta.....	1,861	3,202	3,987	4,100	103
British Columbia.....	595	781	748	700	94

SUPPLY SITUATION

—	1935-39 Average	1940-44 Average	1945 Preliminary	Recom- mended 1946
(000 pounds)				
Stocks at beginning of year.....	25,169	35,994	40,430 ¹	33,672 ¹
Production.....	119,922	168,650	180,662	180,000
Imports.....				
Total Supply.....	144,089	205,644	221,092	213,981
Exports.....	79,700	120,327	142,420	130,000
Available for Domestic Use.....	39,499	45,417	45,000	50,000

¹ The stocks of cheddar cheese on January 1, 1945, included large holdings by the Dairy Products Board for exports while holdings on January 1, 1946, will be chiefly for domestic consumption.

To achieve the recommended production of 180 million pounds of cheddar cheese in 1946 Quebec's total has been set at 59 million pounds while Ontario's total has been placed at 110 million pounds. Should the production of cheddar cheese exceed the recommendation, it is expected that markets will be available for all cheddar cheese which can be produced but it is felt that an increase in the production of creamery butter is more urgently required in 1946.

Concentrated Milk Products.—Production of evaporated milk continued at a high level in 1945 and totalled 200 million pounds. Marketing demands for all concentrated whole milk products continue to be strong and recommendations for 1946 have been placed at approximately the same as 1945 production. The production of dried skim-milk increased sharply in 1945 and the recommendation for 1946 calls for the same output.

TABLE 23.—PRODUCTION OF CONCENTRATED MILK PRODUCTS AND RECOMMENDATIONS FOR 1946

	1935-39 Average	1940-44 Average	1945 Preliminary	1946
(000 pounds)				
Evaporated.....	90,247	169,067	199,531	200,000
Condensed.....	9,067	25,245	27,840	28,000
Whole Milk Powder.....	4,720	11,967	14,139	14,000
Dried Skim-milk.....	21,359	26,594	35,676	35,500

EGGS AND POULTRY

Eggs.—Egg production in Canada in 1945 is estimated at 370·6 million dozen. This is the highest figure in the country's history and exceeded the previous year by 9·7 million dozen. Quantities purchased by the Special Products Board in fulfilment of the British contract totalled 90 million dozen, showing an increase over 1944 of 10 million dozen. Domestic use, estimated at 266·7 million dozen, was heavier than the 1940-44 average by 11·9 million dozen.

Production estimates for 1946 are based on chick hatches and sales in the 1945 season, carryover of mature stock and anticipated early hatchings in 1946 from which fall eggs will be produced. It is estimated that 1946 production will be 12 million dozen less than in 1945. Hatches in 1945, based on Approved Hatchery figures, were 14 per cent under 1944. All provinces showed a decrease with the exception of Prince Edward Island, which recorded an 8 per cent increase. An increase is anticipated for 1946, particularly in early hatches.

The quantity of eggs available for export in 1946, after allowing for a continued heavy domestic use due to meat rationing, is estimated at 93 million dozen. This will be approximately sufficient to fill the 1946 contract with the British Ministry of Food. Under this contract the Special Products Board will endeavour to provide up to 1,750,000 cases (52,500,000 dozen) shell eggs and 5,000 long tons (11,200,000 pounds) of dried eggs. Reduced to terms of shell eggs the latter figure is equivalent to 1,087,000 cases. The total contract requires 2,837,000 cases (85,110,000 dozen) shell eggs.

Shipment of the shell eggs is to be made as closely as possible in accordance with the following schedule:

Fresh Eggs—Winter and Spring.....	900,000 cases
Fresh Eggs—Autumn Shipment.....	250,000 "
Storage Eggs—Autumn Shipment.....	600,000 "

In operations under the British contract Grades A Large and Medium offered to the Special Products Board from September 15 to May 30 are shipped fresh in the shell or stored for autumn shipment. Other grades throughout the entire year and all eggs during the summer months, are used for drying. Since the inception of the British Ministry contracts in 1940 up to and including 1945, a total of 267 million dozen Canadian eggs have been shipped to Britain in shell or dried form.

TABLE 24.—EGG PRODUCTION AND ESTIMATES FOR 1946

	1935-39 Average	1940-44 Average	1945 Preliminary	1946 Estimated
(thousand dozen)				
CANADA	219,523	287,447	370,659	358,605
Prince Edward Island.....	3,301	4,343	6,195	6,513
Nova Scotia.....	4,038	7,076	10,206	10,682
New Brunswick.....	4,588	6,002	9,167	6,937
Quebec.....	32,267	41,132	55,342	63,329
Ontario.....	80,554	91,867	119,344	102,503
Manitoba.....	17,711	28,322	36,371	31,991
Saskatchewan.....	36,441	52,100	64,634	64,782
Alberta.....	24,081	33,474	41,748	45,899
British Columbia.....	16,242	23,132	27,652	25,969

SUPPLY SITUATION

	1935-39 Average	1940-44 Average	1945 Preliminary	1946 Estimated
(thousand dozen)				
Stocks at beginning of year.....	8,844	15,359	27,002	11,000
Production.....	219,523	287,447	370,659	358,600
Imports.....	291	185	17	.....
Total Supply.....	228,658	302,991	397,678	369,600
Required for domestic use.....	211,493	254,810	266,678	266,000
Stocks at end of year.....	9,942	17,344	11,000	10,000
Available for export.....	7,223	30,837	120,000	93,600

TABLE 25.—SPECIAL PRODUCTS BOARD EGG PURCHASES

	1941	1942	1943	1944	1945 Preliminary
(cases of 30 dozen)					
CANADA	511,220	1,251,198	1,121,427	2,664,325	2,990,713
Maritime Provinces.....	9,589	11,966	8,560	22,984 ¹	31,932 ²
Quebec.....	39,001	27,098	32,938	153,464	290,960
Ontario.....	192,283	507,873	460,651	1,033,854	1,156,831
Manitoba.....	89,266	190,932	146,250	318,929	336,162
Saskatchewan.....	68,992	279,147	271,617	543,016	473,229
Alberta.....	64,136	201,584	198,291	401,853	492,846
British Columbia.....	47,953	32,598	3,120	190,225	208,753

¹ Includes 19,664 cases from Prince Edward Island and 3,320 cases from New Brunswick.² Includes 26,920 cases from Prince Edward Island, 3,284 cases from New Brunswick and 1,728 cases from Nova Scotia.

Poultry.—Lighter chick hatches in 1945 as compared with 1944, will be reflected in reduced poultry marketings in comparison with the peak figure of 315 million pounds in 1944. The estimate for 1945 is 311 million pounds which is still well above the average of 255 million pounds for the preceding five years.

It had been estimated that under normal conditions Canada would have had between 20 and 25 million pounds of poultry meat for export during 1945. This outlook was changed by the introduction of meat rationing, which has resulted in an unusually heavy domestic use of poultry.

A contract had been made with the United States Government for a large block of Canadian poultry during 1945, but this was cancelled with the close of the Pacific war after some 8 million pounds had moved between the first of

January and the first of September, 1945. A further 3 million pounds of dressed poultry was exported to the United States earlier in the year under private account and it is estimated that live poultry exports totalled 2 million pounds.

The 1946 outlook for poultry meat is somewhat uncertain. Should meat rationing remain in effect a continued high level of domestic demand may be anticipated. Should meat rationing be discontinued before the 1946 crop is marketed there will be a considerable surplus for which export outlets will have to be developed. The volume of chick hatches in 1946 is also uncertain, although an increase over 1945 is indicated. Lacking a clear picture of probable requirements in 1946 the recommendations in each province are retained at the 1945 figure.

TABLE 26.—FARM POULTRY MEAT PRODUCTION AND ESTIMATES FOR 1946

	1935-39 Average	1940-44 Average	1945 Preliminary	1946 Estimated
(thousand pounds)				
CANADA	197,742	255,652	311,297	311,297
Prince Edward Island.....	2,739	3,298	3,666	3,666
Nova Scotia.....	3,303	4,878	6,521	6,521
New Brunswick.....	3,873	4,667	6,450	6,450
Quebec.....	23,320	31,137	37,590	37,590
Ontario.....	74,949	82,778	97,948	97,948
Manitoba.....	20,166	29,226	33,272	33,272
Saskatchewan.....	30,535	53,450	71,080	71,080
Alberta.....	26,549	34,893	40,894	40,894
British Columbia.....	12,308	11,325	13,876	13,876

SUPPLY SITUATION

	1935-39 Average	1940-44 Average	1945 Preliminary	1946 Estimated
(thousand pounds)				
Stocks at beginning of year.....	12,814	17,664	24,649	16,040
Production.....	197,742	255,652	311,297	311,297
Total Supply.....	210,556	273,316	335,946	327,337
Required for domestic use.....	194,048	249,711	308,806	309,337
Stocks at end of year.....	13,515	19,430	16,040	18,000
Available for export.....	2,993	4,175	11,100	.....

FRUITS

After generally small harvests in 1945 for all fruits except berries, recovery to levels similar to averages for the five war years 1940-44 are forecast for 1946. The gratifying strawberry and raspberry crops reflect good yields and also an upward trend in acreage encouraged by rising prices. These trends were more accentuated for raspberries than for strawberries.

Apples.—Some 12.5 million bushels are forecast as the 1946 Canadian crop, a figure only 7 per cent less than the recent 5-year average. The virtual crop failures in Nova Scotia, Quebec and Ontario may have been accompanied by deterioration of orchards. The recovery from 1945 forecast for 1946 is based largely on the observed expansion of the industry in British Columbia. Only in this province and New Brunswick are increases over the wartime 5-year average indicated.

TABLE 27.—APPLE PRODUCTION AND ESTIMATES FOR 1946

	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946	1946 as a percentage of		
					1935-39	1940-44	1945
	000 bu.	000 bu.	000 bu.	000 bu.	%	%	%
CANADA	14,570	13,451	7,416	12,500	85.8	92.9	168.6
Nova Scotia.....	5,874	4,185	1,125	3,000	51.1	71.7	266.7
New Brunswick.....	143	247	148	300	209.8	121.5	202.7
Quebec.....	569	944	80	700	123.0	74.2	875.0
Ontario.....	2,419	2,208	568	1,500	62.0	67.9	264.1
British Columbia.....	5,565	5,868	5,495	7,000	125.8	119.3	127.4

SUPPLY SITUATION¹

	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946	
				1935-39	1940-44
	000 bu.	000 bu.	000 bu.	000 bu.	000 bu.
Production.....	14,570	13,451	7,416	12,500	.....
Imports.....	224	122	small	.....	.....
Total Supplies.....	14,794	13,573	7,416	.....	.....
Exports.....	6,164	1,708	1,100 ²	.....	.....
Processed.....	2,670	4,434	1,500	.....	.....
Available for domestic use.....	5,960	7,431	4,816	.....	.....

¹ Crop years ending 30 June.² Estimated.

Pears.—The pear trees of Ontario are considered healthy enough to bear a normal crop in 1946, and recent record crops in British Columbia are indicative of the expansion in tree numbers there. With continued expansion also of the small Nova Scotia plantings, a national harvest of 890,000 bushels is indicated, being a 21 per cent increase over the wartime 5-year average.

* TABLE 28.—PEAR PRODUCTION AND ESTIMATES FOR 1946

	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946	1946 as a percentage of		
					1935-39	1940-44	1945
	000 bu.	000 bu.	000 bu.	000 bu.	%	%	%
CANADA	569	733	651	890	156.4	121.4	136.7
Nova Scotia.....	18	22	38	40	222.2	181.8	105.3
Ontario.....	282	368	46	350	124.1	95.1	760.9
British Columbia.....	269	343	567	500	185.9	145.8	88.2

SUPPLY SITUATION¹

	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946	1946 as a percentage of	
					1935-39	1940-44
	000 bu.	000 bu.	000 bu.	000 bu.	000 bu.	000 bu.
Production.....	569	733	651	890	651	890
Imports.....	394	200	540 ²	.....	.....	.....
Total Supplies.....	963	933	1,191	.....	.....	.....
Exports.....	77	.....	250	.....	.....	.....
Processed.....	208	285	.....	.....	.....	.....
Available for domestic use.....	678	648	941	.....	.....	.....

¹ Calendar Year.² 10 months ended October.

Plums and Prunes.—The 1946 harvest of these fruits is foreseen as 460,000 bushels, an increase of 32 per cent over 1945. The Ontario crop will probably be back to normal as judged by wartime harvests. In British Columbia almost as good a crop as in 1945 is predicted, and an expansion is indicated in Nova Scotia.

TABLE 29.—PLUM AND PRUNE PRODUCTION AND ESTIMATES FOR 1946

—	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946	1946 as a percentage of		
	000 bu.	000 bu.	000 bu.	000 bu.	%	%	%
CANADA	225	406	387	460	204.4	113.3	118.9
Nova Scotia.....	10	8	8	10	100.0	125.0	125.0
Ontario.....	68	156	27	150	220.6	96.2	555.6
British Columbia.....	147	242	352	300	204.1	124.0	85.2

SUPPLY SITUATION¹

—	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946
	000 bu.	000 bu.	000 bu.	000 bu.
Production.....	225	406	387	460
Imports.....	167	174	343 ²	.....
Total Supplies.....	392	580	730	.....
Exports.....	25	.....	.....	.....
Processed.....	61	162	200	.....
Available for domestic use.....	306	418	530	.....

¹ Calendar Year.² 10 months ended October.

Peaches.—Plantings of this fruit have expanded during recent years in Ontario and British Columbia. After the setback in the East in 1945, the national outlook is for a crop of 1,700,000 bushels, an increase of 14 per cent over 1945 and slightly more over the wartime 5-year average. Continuation of the marked upward trend in British Columbia harvests is likely.

TABLE 30.—PEACH PRODUCTION AND ESTIMATES FOR 1946

—	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946	1946 as a percentage of		
	000 bu.	000 bu.	000 bu.	000 bu.	%	%	%
CANADA	1,023	1,452	1,477	1,700	166.2	117.1	115.1
Ontario.....	907	1,130	833	1,000	110.3	88.5	120.0
British Columbia.....	116	322	644	700	603.4	217.4	108.7

SUPPLY SITUATION¹

—	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946
	000 bu.	000 bu.	000 bu.	000 bu.
Production.....	1,023	1,452	1,477	1,700
Imports.....	211	169	467 ²	.....
Total Supplies.....	1,234	1,621	1,944	.....
Exports.....	.....	.....	.....	.....
Processed.....	278	434	400	.....
Available for domestic use.....	956	1,187	1,544	.....

¹ Calendar Year.² 10 months ended October.

Apricots.—Only British Columbia produces this crop commercially, and the 1946 crop may well be 150,000 bushels, about the same as in 1945. The figure represents a substantial increase over the crop of any year previous to 1944.

TABLE 31.—APRICOT PRODUCTION AND ESTIMATES FOR 1946

—	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946	1946 as a percentage of		
					1935-39	1940-44	1945
					000 bu.	000 bu.	%
CANADA	50	83	101	150	300·0	180·7	148·5
British Columbia.....	50	83	101	150	.....	.....	.....

SUPPLY SITUATION¹

—	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946	1946 as a percentage of		
					1935-39	1940-44	1945
					000 bu.	000 bu.	%
Production.....	50	83	101	150	.....	.....	.....
Imports.....	74	70	56 ²	150	.....	.....	.....
Total Supplies.....	124	153	157	.....	.....	.....	.....
Exports.....	.....	.....	.....	.....	.....	.....	.....
Processed.....	6	30	12	.....	.....	.....	.....
Available for domestic use.....	118	123	145	.....	.....	.....	.....

¹ Calendar Year.² 10 months ended October.

Cherries.—Ontario's record small crop of 1945 will be succeeded, it is thought, by a more normal harvest. This prospect coupled with the growth in plantings in British Columbia indicates a 1946 crop of 300,000 bushels, 8 per cent larger than the 5-year average of 1940-44 of 277,000 bushels.

TABLE 32.—CHERRY PRODUCTION AND ESTIMATES FOR 1946

—	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946	1946 as a percentage of		
					1935-39	1940-44	1945
					000 bu.	000 bu.	%
CANADA	210	277	195	300	142·9	108·3	153·8
Ontario.....	132	172	41	175	132·6	101·7	426·8
British Columbia.....	78	105	154	125	160·3	119·0	81·2

SUPPLY SITUATION¹

—	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946	1946 as a percentage of		
					1935-39	1940-44	1945
					000 bu.	000 bu.	%
Production.....	210	277	195	300	210	277	195
Imports.....	21	18	26 ²	300	21	18	26 ²
Total Supplies.....	231	295	221	.....	.....	.....	.....
Exports.....	.....	.....	.....	.....	.....	.....	.....
Processed.....	92	158	75	.....	.....	.....	.....
Available for domestic use.....	139	137	146	.....	.....	.....	.....

¹ Calendar Year.² 10 months ended October.

Strawberries.—Every province has reported a downward trend in strawberry production in recent years. Replacements have been such this year that a check in the reduction is indicated, with a 15,000,000-quart crop in 1946 after one of about the same size. The likelihood is for an increase from 1945 in Ontario, declines in New Brunswick and British Columbia, and a stable situation in Nova Scotia and Quebec. There may still be only about 77 per cent as many strawberries as there were on the average in the five years 1940-44, and only 59 per cent of the average for 1935-39.

TABLE 33.—STRAWBERRY PRODUCTION AND ESTIMATES FOR 1946

—	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946	1946 as a percentage of		
	000 qt.	000 qt.	000 qt.	000 qt.	%	%	%
CANADA	25,493	19,512	14,983	15,000	58.8	76.9	100.1
Nova Scotia.....	1,088	1,060	790	800	73.5	75.5	101.3
New Brunswick.....	1,330	1,140	950	800	60.2	70.2	84.2
Quebec.....	7,012	4,481	3,500	3,500	49.9	78.1	100.0
Ontario.....	8,297	6,636	6,024	6,400	77.1	96.4	106.2
British Columbia.....	7,766	6,195	3,719	3,500	45.1	56.5	94.1

SUPPLY SITUATION¹

—	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946
	000 qt.	000 qt.	000 qt.	000 qt.
Production.....	25,493	19,512	14,983	15,000
Imports.....	3,174	3,178	698 ²	.....
Total Supplies.....	28,667	22,690	15,681	.....
Exports.....	3,185	1,586	81 ²	.....
Processed.....	5,337	6,271	4,500	.....
Available for domestic use.....	20,145	14,833	11,100	.....

¹ Calendar Year.² 10 months ended October.

Raspberries.—An upward trend in production in Ontario and British Columbia, far outweighing probable declines in Quebec and east, points to a raspberry crop of 13,370,000 quarts, or 9 per cent more than in 1945. The estimate is 32 per cent above the wartime average and 46 per cent above the pre-war 5-year average.

TABLE 34.—RASPBERRY PRODUCTION AND ESTIMATES FOR 1946

—	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946	1946 as a percentage of		
	000 qt.	000 qt.	000 qt.	000 qt.	%	%	%
CANADA	9,157	10,106	12,255	13,370	146.0	132.3	109.1
Nova Scotia.....	72	72	70	70	97.2	97.2	100.0
New Brunswick.....	48	48	38	50	104.2	104.1	131.6
Quebec.....	2,442	1,524	700	1,250	51.2	82.0	178.6
Ontario.....	4,133	4,764	5,676	6,000	145.2	125.9	105.7
British Columbia.....	2,463	3,699	5,771	6,000	243.6	162.2	104.0

TABLE 34.—RASPBERRY PRODUCTION AND ESTIMATES FOR 1946—*Concluded*
SUPPLY SITUATION¹

	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946
	000 qt.	000 qt.	000 qt.	000 qt.
Production.....	9,157	10,106	12,255	13,370
Imports.....	200	41	11 ²	.....
Total Supplies.....	9,357	10,147	12,266	.....
Exports.....	600	746	195 ²	.....
Processed.....	2,372	3,692	7,000	.....
Available for domestic use.....	6,385	5,709	5,071	.....

¹ Calendar Year.² 10 months ended October.

Grapes.—Continued good yields are indicated, with a probable 1946 crop of 69,000,000 pounds. The increase over the 1945 figure will probably be contributed to by both Ontario and British Columbia. Ontario production was declining before the war, and has been at a higher level during recent years. The small British Columbia crops show a rising trend.

TABLE 35.—GRAPE PRODUCTION AND ESTIMATES FOR 1946

	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946	1946 as a percentage of		
					1935-39	1940-44	1945
	000 lb.	000 lb.	000 lb.	000 lb.	%	%	%
CANADA	42,818	57,883	60,862	69,000	161.1	119.2	113.4
Ontario.....	41,142	55,248	57,340	65,000	158.0	117.6	113.4
British Columbia.....	1,676	2,635	3,522	4,000	238.7	151.8	113.6

SUPPLY SITUATION¹

	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946
	000 lb.	000 lb.	000 lb.	000 lb.
Production.....	42,818	57,883	60,862	69,000
Imports.....	28,002	44,410	36,837 ²	.....
Total Supplies.....	70,820	102,293	97,699	.....
Exports.....	.....	4,000	.....	.....
Processed.....	25,626	39,786	30,000	.....
Available for domestic use.....	45,194	62,507	63,699	.....

¹ Calendar Year.² 10 months ended October.

Loganberries.—This fruit is limited to British Columbia and is declining in production. One and a half million pounds are likely to be produced in 1946, only 80-90 per cent of recent crops. Most of the crop is processed into jam and wine, with no more than 10 per cent generally sold fresh.

TABLE 36.—LOGANBERRY PRODUCTION AND ESTIMATES FOR 1946

—	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946	1946 as a percentage of		
	000 lb.	000 lb.	000 lb.	000 lb.	1935-39	1940-44	1945
CANADA	1,853	1,832	1,660	1,500	80.9	81.9	90.4
British Columbia.....	1,853	1,832	1,660	1,500	.....	.....	.....

SUPPLY SITUATION ¹

—	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946
	000 lb.	000 lb.	000 lb.	000 lb.
Production.....	1,853	1,832	1,660	1,500
Imports.....	.....	.....	.....	.....
Total Supplies.....	1,853	1,832	1,660	.....
Exports.....	.....	.....	.....	.....
Processed.....	1,761	1,673	1,500 ²	.....
Available for domestic use.....	92	159	160	.....

¹ Calendar year.² Including 200,000 lb. exported in SO2.

VEGETABLES AND CANNING CROPS

Potatoes.—Potato supply will be in best balance with a crop of 70,000,000 bushels, which might be realized from plantings of 523,600 acres if the yield per acre of recent years is realized. The recommendation in terms of both acres and bushels is a little lower than the averages of the five war years 1940-44. The likelihood is that the considerable shortage in supply resulting from the poor 1945 crop can be made up by imports from the United States. However, in many years, short United States crops coincide with low yields in this country, and planning must be for sufficient supplies to be grown here.

The dehydration program based on wartime demand from Britain will be curtailed very considerably. Starch making tends to utilize culls, and has not expanded greatly during the war. The market for certified seed is available each year, but exports of table stock in any quantity will occur only when a Canadian surplus can find a market in the United States, as in 1944-45. The recommendation envisages a normal situation of reasonably small exports and imports.

TABLE 37.—POTATO ACREAGE AND RECOMMENDATIONS FOR 1946

—	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946	1946 as a percentage of		
	ac.	ac.	ac.	ac.	%	%	%
CANADA	516,000	525,120	507,600	523,600	101	100	103
Prince Edward Island.....	34,600	39,760	43,000	43,000	124	108	100
Nova Scotia.....	21,200	22,040	22,400	21,500	101	98	96
New Brunswick.....	48,200	55,960	66,200	66,200	137	118	100
Quebec.....	136,000	159,340	156,000	157,000	115	99	101
Ontario.....	146,400	125,020	116,000	123,000	84	98	106
Manitoba.....	33,400	30,900	25,000	25,400	76	82	102
Saskatchewan.....	48,800	46,020	36,600	40,500	83	88	111
Alberta.....	29,000	28,780	25,900	29,000	100	101	112
British Columbia.....	18,400	17,300	16,500	18,000	98	104	109

SUPPLY SITUATION (YEARS ENDED JULY 31 FOLLOWING)

	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946
	000 bu.	000 bu.	000 bu.	000 bu.
Production.....	64,387	72,395	60,392	70,000
Imports.....	541	685	8,908 ¹	.....
Total Supplies.....	64,928	73,080	69,300	.....
Disposal—				
Seed following year (20 bu. per acre).....	10,480	10,420	10,472	.....
Processed.....	184	1,680	1,000 ¹	.....
Exports—				
Table stock.....	1,000	2,014	750 ¹	.....
Certified seed.....	1,578	1,887	3,000 ¹	.....
Shrinkage (20% of crop).....	12,877	14,479	12,078	.....
Available for domestic use.....	38,809	42,600	42,000	.....

¹ Estimated.

Canning Crops.—All cannning crops reflected low harvests per acre in 1945. On this basis, and noting the potential market in relation to packs, reduced plantings are recommended for beans and tomatoes, and small increases for corn and peas. The pack of peas in 1945 compared favourably with average wartime production although it was about one-fifth smaller than the record pack of 1944. The recommendation of 37,000 acres being a slight increase, is based on requirements of 2½-3 million cases of peas. Tomatoes and corn were left ungathered in the fields in the East after killing frosts this year. Plantings in each case of 40,000 acres will tend to ensure adequate crops and packs in 1946. Beans yielded poorly in 1945, and a reduced planting of 7,000 acres will provide a good pack with normal yields.

The vegetable cannning industry has grown during recent years, even during the war when exports were low. It is likely that renewed export outlets will gradually be found for some of these products of the 1946 and subsequent packs.

TABLE 38.—CANNING CROP ACREAGE

	1943	1944	1945	1946	1946 of 1945
	ac.	ac.	ac.	ac.	%
BEANS—					
CANADA	5,395	6,919	8,049	7,000	87·0
Maritimes.....	237	238	169	.....	.....
Quebec.....	3,223	4,393	5,226	.....	.....
Ontario.....	1,068	1,141	1,462	.....	.....
Prairies.....	335	290	445	.....	.....
British Columbia.....	532	857	747	.....	.....
CORN—					
CANADA	29,034	39,855	37,731	40,000	106·0
Maritimes.....	.....	.....	.....	.....	.....
Quebec.....	5,147	7,568	8,540	.....	.....
Ontario.....	20,657	28,630	24,243	.....	.....
Prairies.....	1,840	2,190	3,210	.....	.....
British Columbia.....	1,390	1,467	1,738	.....	.....
PEAS—					
CANADA	30,632	37,253	36,785	37,000	100·6
Maritimes.....	705	1,460	1,168	.....	.....
Quebec.....	7,181	9,091	7,526	.....	.....
Ontario.....	17,138	19,940	20,553	.....	.....
Prairies.....	2,525	2,890	3,260	.....	.....
British Columbia.....	3,083	3,872	4,278	.....	.....

TABLE 38.—CANNING CROP ACREAGE—Concluded

	1943	1944	1945	1946	1946 of 1945
TOMATOES—					
CANADA	33,389	39,457	43,310	40,000	92.4
Maritimes.....					
Quebec.....	4,232	4,581	4,955		
Ontario.....	26,592	32,294	38,936		
Prairies.....					
British Columbia.....	2,565	2,582	2,419		

TABLE 39.—VEGETABLE CANNING CROPS SUPPLY SITUATION

	Average 5 years 1935-39	Average 5 years 1940-44	1945	1946
BEANS—				
Pack (cases).....	479,323	864,000	1,210,682	.....
	tons	tons	tons	tons
Stocks at July 1.....	1,560	636	1,030	.....
Production (deliveries).....	4,800	8,874	12,100	.....
Imports.....				
Total.....	6,360	9,510	13,130	.....
Exports.....				
Available.....	6,360	9,510	13,130	.....
CORN—				
Pack (cases).....	1,364,000	1,500,000	1,345,915	.....
	tons	tons	tons	tons
Stocks at July 1.....	19,500	5,520	3,700	.....
Production (deliveries).....	46,800	51,735	45,000	.....
Imports.....	47	22	4 ¹	.....
Total.....	66,347	57,277	48,704	.....
Exports.....				
Available.....	66,347	57,277	48,704	.....
PEAS—				
Pack (cases).....	1,800,930	2,829,000	2,934,510	.....
	tons	tons	tons	tons
Stocks at July 1.....	6,100	3,050	3,480	.....
Production (deliveries).....	18,000	28,642	29,500	.....
Imports.....	15	1	1 ¹	.....
Total.....	24,115	31,693	32,981	.....
Exports.....	1,000	613	838 ¹	.....
Available.....	23,115	31,080	32,143	.....
TOMATOES—				
Pack-tomatoes (cases).....	2,320,829	2,350,000	1,350,000	.....
juice (cases).....	1,301,916	2,456,000	2,637,872	.....
	tons	tons	tons	tons
Stocks at July 1.....	38,500	20,000	17,000	.....
Production (deliveries).....	190,000	218,652	175,000	.....
Imports.....	585	1,243	1,495 ¹	.....
Total.....	229,085	239,895	193,495	.....
Exports.....	56,164	18,514	8,439 ¹	.....
Available.....	172,921	221,381	185,056	.....

¹ 10 months ended Oct.

Fresh Vegetables.—The acreage and production of the main vegetables grown for fresh consumption declined somewhat in 1945 when compared with the plantings of the previous year. In the case of onions, the reduction was about 15 per cent, and the trend may be attributable to the surplus situation prevailing for the late marketing of the 1944 crop.

The dehydration program on British Ministry of Food contracts will not be renewed in 1946. In addition to potatoes, large tonnages of cabbage and lesser amounts of carrots, beets, and one or two other crops have been utilized in dehydration for most of the war years. As much of this product was grown on contract, the necessary reduction in acreage will probably be made. For other vegetables, steady production in 1946 is recommended.

OIL SEED CROPS

A review of the 1946 position of the oils and fats situation by the Combined Food Board showed a substantial deficit of supplies against requirements. The world's exportable surplus which was divided approximately three ways, i.e., between the United Kingdom, the United States and Canada during the period 1942 to 1944, must now be apportioned among sixteen or more claimants who are demanding a share of world supplies. It is in the light of these facts that it is recommended that the flaxseed and sunflower acreage be increased and the rapeseed and soybean acreage maintained.

Flaxseed.—The flaxseed crop is estimated at 7,397,000 bushels, which is substantially less than the 9,668,000 bushels harvested in 1944, and well below the 1940-44 average of 10,282,000 bushels. Although the average yield for the 1945 oil-seed crop was slightly lower, a decrease in acreage is largely responsible for the smaller crop. Manitoba acreage increased substantially, more than enough to make up for the smaller acreage in Alberta, but Saskatchewan plantings dropped by 284,000 acres. Saskatchewan's total dropped from 6,400,000 bushels in 1944 to 3,697,000 in 1945. Flaxseed growing was greatly curtailed last year and again this year largely because of the more attractive returns from wheat, oats and barley, all of which are competitive crops in the Prairie Provinces where the bulk of the flaxseed is grown.

Having due regard for the construction program and the backlog of domestic protective coating requirements, Canada may require over six million bushels of flaxseed, exclusive of any export business which might develop during the period of 1946-47. Canada has the crushing capacity to handle this volume, and since present quota restrictions will continue for some considerable time, the backlog of requirements will not be met before the 1946 crop is harvested.

In view of domestic and world requirements, it is recommended that at least 1,250,000 acres be planted to flaxseed to attain a minimum yield of 8 million to 10 million bushels.

TABLE 40.—FLAXSEED ACREAGE AND RECOMMENDED PRODUCTION FOR 1946¹

	1935-39 Average	1940-44 Average	1945 Preliminary	1946	1946 of
					%
CANADA	306,730	1,428,220	1,060,000	1,250,000	118
Quebec.....	2,860				
Ontario.....	5,820	20,180	24,000	24,000	100
Manitoba.....	51,540	187,500	260,000	260,000	100
Saskatchewan.....	225,480	998,520	655,000	781,500	119
Alberta.....	20,760	219,500	119,000	182,500	153
British Columbia.....	270	2,520	2,000	2,000	100

TABLE 40.—FLAXSEED ACREAGE AND RECOMMENDED PRODUCTION FOR 1946¹
Concluded

SUPPLY SITUATION

—	1935-39 Average	1940-44 Average	1944-45	1945-46 Preliminary
(000 bushels)				
Stocks at July 31.....	277	1,924	3,649	2,889
Production.....	1,508	10,282	9,668	7,432
Imports.....	1,052	35	1	.....
Total Supply.....	2,837	12,241	13,318	10,321
Exports.....	49	3,882	3,217	2,321
Available for domestic use.....	2,788	8,359	10,101	8,000

¹ Crop year ending July 31.

Soybeans.—The 1945 objective for soybeans was set at 39,000 acres. This was considerably below the 90,000 acres suggested by the Oils and Fats Administrator. However in 1945 approximately 43,650 acres were grown. Based on estimated needs in 1946, an area of 49,080 acres is recommended. It should not be difficult to meet this recommendation.

TABLE 41.—SOYBEAN ACREAGE AND ESTIMATED PRODUCTION FOR 1946¹

—	1936-39 ² Average	1940-44 Average	1945 Preliminary	1946	1946 of 1945
—	ac.	ac.	ac.	ac.	%
CANADA	9,714	25,840	43,650	49,080	112
Ontario.....	9,714	.....	43,450	48,880	112
Manitoba.....			200	200	100

SUPPLY SITUATION

—	1936-39 Average	1940-44 Average	1944-45	1945-46
(000 bushels)				
Production.....	207	514	682	870
Imports.....	72	150	476	.....
Total Supply.....	279	664	1,158	.....

¹ Crop year ended July 31.

² Figures from 1936 to 1941 are for Ontario only.

Rapeseed.—First estimates of the 1945 crop indicate that the rapeseed acreage will reach the recommended total of 20,400 acres. Rapeseed oil has been used for both industrial and edible purposes, although the initial acceptance in the edible field has not been too gratifying.

At the suggestion of the Oils and Fats Administrator, the recommended acreage for 1946 is 20,400 acres.

TABLE 42.—RAPESEED ACREAGE AND ESTIMATED PRODUCTION FOR 1946¹

—	1943	1944	1945 Preliminary	1946	1946 of 1945
—	ac.	ac.	ac.	ac.	%
CANADA	4,051	12,030	20,400	20,400	100
Ontario.....	821	600	600	600	100
Manitoba.....	1,500	6,000	9,000	9,000	100
Saskatchewan.....	1,700	4,800	8,500	8,500	100
Alberta.....	22	630	2,300	2,300	100

¹ Crop year ended July 31.

Sunflower Seed.—The objective of 28,000 acres of sunflower seed was not approached in actual planting according to the first estimate of the 1945 crop which places the area planted at 14,216 acres. There was a marked drop in acreage in Saskatchewan. The urgent needs for oil make it necessary to recommend a greatly increased acreage. The minimum 1945 acreage requested by the Fats and Oils Administrator is 28,000 acres.

TABLE 43.—SUNFLOWER SEED ACREAGES AND RECOMMENDATIONS FOR 1946¹

	1943	1944	1945 ²	1946
	ac.	ac.	ac.	ac.
CANADA	12,370	17,300	14,216	28,000
Manitoba.....	4,270	11,300	13,500	.....
Saskatchewan.....	7,600	6,000	716	.....
Alberta.....	500	.....	.....	.....

¹ Crop year ended July 31.² First estimate.

DRIED BEANS

The area planted to beans in 1945 totalled 96,400 acres. This was considerably below the 125,000 acres recommended, and also less than the 1944 acreage of 99,500. On the basis of estimated existing requirements, it is recommended that the acreage for 1946 be maintained at the 1945 level of 96,400 acres.

TABLE 44.—DRIED BEAN ACREAGE AND RECOMMENDATIONS FOR 1946¹

	1935-39 Average	1940-44 Average	1945 Preliminary	1946	1946 of 1945
	ac.	ac.	ac.	ac.	%
CANADA	67,982	94,980	96,400	96,400	100
New Brunswick.....	1,140	1,640	1,200	1,200	100
Quebec.....	6,440	13,040	12,600	12,600	100
Ontario.....	58,540	78,280	81,500	81,500	100
Saskatchewan.....	253 ²	.....	.....	.....	100
Alberta.....	820	1,200	200	200	100
British Columbia.....	840	820	900	900	100

¹ Crop years ending July 31.² Four years 1935-38—no production in 1939.

SUPPLY SITUATION

	1935-39 Average	1940-44 Average	1944-45	1945-46
	(000 bushels)			
Production.....	1,283	1,553	1,432	1,478
Exports.....	340	346	479	.....
Available for domestic use.....	943	1,207	953	.....

DRIED PEAS

The total of 82,000 acres in 1945 was slightly below the 1944 acreage and the 1945 recommended acreage of 83,600. Minimum domestic requirements for 1946 of 1.2 million bushels are about the same as for the previous year. Export needs will likely be strong. It is suggested that a minimum of 83,250 acres be again planted to peas in 1946.

TABLE 45.—DRIED PEA ACREAGE AND ESTIMATED PRODUCTION FOR 1946

	1935-39 Average	1940-44 Average	1945 Preliminary	1946	1946 of 1945
	ac.	ac.	ac.	ac.	%
CANADA	85,470	87,520	82,000	83,250	102
Quebec.....	19,220	25,120	22,600	23,050	102
Ontario.....	59,410	35,940	12,400	12,400	100
Manitoba.....	2,100	5,980	11,000	11,450	104
Saskatchewan.....	390	800	4,400	4,000	100
Alberta.....	760	15,280	24,700 ²	25,450	103
British Columbia.....	3,860	6,400	6,900	6,900	100

¹ Crop years ending July 31.² Includes 17,850 acres in 1945 and 14,500 acres in 1944 grown for canning and garden pea seed.

SUPPLY SITUATION

	1935-39 Average	1940-44 Average	1944-45	1945-46
	(000 bushels)			
Production.....	1,343	1,439	1,269	1,171
Imports.....	135	76	96	.....
Total Supplies.....	1,478	1,515	1,365	.....
Exports.....	17	111	143	.....
Available for domestic use.....	1,461	1,404	1,222	.....

SUGAR BEETS

Slightly increased acreages and average yields have raised the estimate of commercial sugar beet crop for 1945 to 618,000 tons compared with 564,000 in 1944. Alberta, the largest sugar beet producing province, indicates a slightly smaller yield per acre for 1945 but a larger acreage resulted in an increased production. Likewise, in Ontario, production of sugar beets was increased, in spite of a smaller yield. In Quebec, a higher yield per acre offset a decline in acreage.

In 1946, Canada will be able to use all the sugar available. It is, therefore, recommended that the sugar beet production be expanded to refining capacity—90,000 acres. The suggested 1946 objective is 20,000 acres over that actually planted in 1945.

TABLE 46.—SUGAR BEET ACREAGE AND ESTIMATED PRODUCTION FOR 1946

	1935-39 Average	1940-44 Average	1945 Preliminary	1946 Estimated	1946 of 1945
	ac.	ac.	ac.	ac.	%
Canada	52,480	64,920	60,000	90,000	150
Quebec.....			2,700 ²	9,700	485
Ontario.....	33,720	22,940	17,700	35,000	198
Manitoba.....			14,800	10,000	150
Alberta.....	18,760	26,640	30,300	30,300	100

¹ Crop year ending July 31.² 1944 only.

SUPPLY SITUATION

	1935-39 Average	1940-44 Average	1944	1945	1946
	(thousand tons)				
Production.....	518	659	564	618	.....

TOBACCO

The impetus given to the consumption of tobacco during the war years is evident from the statistics of the product. Tax withdrawals for consumption of manufactured tobacco products increased from an average of 42.5 million pounds in the pre-war five years to an average of 54.9 million pounds in the five war years, 1940-44, or 29.2 per cent. Cigarette withdrawals, which averaged 6.2 billion in the pre-war period were approximately 13.0 billion in the marketing year ended September 30, 1945, an increase of 117 per cent, an increase of 40 per cent over the average of the years 1940-44.

Leaf tobacco used in manufacture averaged 41.8 million pounds for the years 1935-39, but the average was 59.9 million pounds for the years 1940-44, while 76.9 million pounds were used in the marketing year 1945. The proportion of domestic and imported tobacco leaf used in domestic manufacture has changed materially. In 1927, 55.6 per cent of the leaf used was Canadian grown and 44.4 per cent imported. In 1937 this had changed to 85.7 per cent Canadian and 14.3 per cent imported, while in 1944 the use of domestic tobacco had increased to 98 per cent and imported had dwindled to 2 per cent.

Ships' stores of tobacco and cigarettes progressively increased from 742 thousand pounds in the fiscal year 1943 to 1.5 million pounds in the fiscal year 1945, while exports, in the same fiscal years, of tobacco, cigarettes and cigars jumped from 4.2 million pounds to 8.9 million pounds, of which cigarettes were 1.5 billion in number in 1943 and 3.5 billion in 1945.

There are, therefore, increases in the exports and ships' stores, greater quantities of domestic leaf used in manufacture and much augmented withdrawals of manufactured tobacco for consumption. It is necessary, accordingly, to have sufficient stocks to meet these increases, for leaf tobacco has to be aged before being used in manufacture. In five pre-war years 1935-39 production of leaf, green weight, averaged 76.6 million pounds, while the average for five of the war years, 1940-44 was 84.5 million pounds, an increase, in green weight, of 10.4 per cent. It is considered advisable to have enough on hand for $1\frac{1}{2}$ years and the following recommendations as to acreage are made so that the stock situation may become as satisfactory as crop conditions will permit.

The total area recommended for commercial planting of all types of tobacco is 105,800 acres, which is an increase of 14.3 per cent over the estimated 1945 acreage. With average yields, a total production, green weight, of 116,185,000 pounds could be expected, and this quantity would be equivalent to 103,935,000 pounds of re-dried leaf.

Flue-Cured Tobacco.—The recommendation last year was for a 1945 area of 88,900 acres but weather conditions and disease militated against the growers so that only an estimated 76,880 acres, of which 72,000 were in Ontario, were planted. This year the recommendation is 85,000 acres. While sufficient labour is anticipated, there may be insufficient fertilizer to warrant a greater acreage.

Burley Tobacco.—A larger acreage than in previous years was recommended for 1945, but this acreage was not attained. The recommendation for 1946 is again 12,500 acres, in order that manufacturing needs, as well as a sufficient carryover can be met.

Dark Tobacco.—It is again recommended that growers plant 1,550 acres of this type. Although this acreage was recommended for 1945, the estimated area actually grown is given as 1,308 acres, which is insufficient for Canada's requirements.

Cigar Leaf Tobacco.—The estimated 1945 production of this crop is only slightly above the 2·6 million pounds, re-dried weight, grown in 1944. Greater production is required and it is, therefore, recommended that 5,000 acres be grown in 1946.

Pipe Tobacco.—No increase in the commercial acreage of pipe tobacco is recommended. There are many small non-commercial growers of this crop in Quebec and some of the surplus of their production gets into the market but is unrecorded. The 2,750 acres recommended should cover all requirements.

TABLE 47.—FLUE-CURED TOBACCO ACREAGE AND RECOMMENDATIONS FOR 1946

	Average 1935-39	Average 1940-44	Estimated 1945	Recom- mended 1946	1946 of 1945
	ac.	ac.	ac.	ac.	%
CANADA	50,720	60,360	76,880	85,000	110·6
Quebec.....	1,660	5,100	4,750	5,350	112·6
Ontario.....	48,800	54,900	72,000	79,300	110·1
British Columbia.....	260	360	130	350	269·2

SUPPLY SITUATION

(MARKETING YEARS ENDING SEPTEMBER 30)

	Average 1935-39	Average 1940-44	1944-45	Preliminary 1945-46	Recom- mended 1946-47
(thousand pounds re-dried weight)					
Carryover of old leaf (Sept. 30 previous year).....	37,280	76,331	74,805	73,000	67,600
Previous year's crop (not included in carry-over).....	38,780	58,976	78,429	74,600	84,150
Imports, current year.....	3,503	1,047	40	.....	.....
Total Supplies.....	79,563	136,354	153,274	147,600	151,750
Exports, current year.....	11,331	9,154	13,330	13,000	.....
Available for manufacture.....	68,232	127,200	139,944	134,600	.....
Carryover of leaf prior to current crop (Sept. 30).....	38,456	81,395	73,000	67,600	.....
Apparent disappearance.....	29,776	45,805	66,944	67,000	.....

TABLE 48.—BURLEY TOBACCO ACREAGE AND RECOMMENDATIONS FOR 1946

	Average 1935-39	Average 1940-44	Estimated 1945	Recom- mended 1946	1946 of 1945
	ac.	ac.	ac.	ac.	%
Ontario.....	8,600	8,100	10,185	12,500	122.7

SUPPLY SITUATION

(MARKETING YEARS ENDING SEPTEMBER 30)

	Average 1935-39	Average 1940-44	1944-45	Preliminary 1945-46	Recom- mended 1946-47
(thousand pounds re-dried weight)					
Carryover of old leaf (Sept. 30 previous year).....	18,513	15,975	10,400	10,000	10,000
Previous year's crop (not included in carryover).....	8,185	9,476	10,384	10,200	12,100
Imports, current year.....					
Total Supplies.....	26,698	25,451	20,784	20,200	22,100
Exports, current year.....	2,044	1,443	1,800	2,000	.....
Available for manufacture.....	24,654	24,008	18,984	18,200	.....
Carryover of leaf prior to current crop (Sept. 30).....	16,741	15,327	10,000	10,000	.....
Apparent disappearance.....	7,913	8,681	8,984	8,200	.....

TABLE 49.—DARK TOBACCO ACREAGE AND RECOMMENDATIONS FOR 1946

	Average 1935-39	Average 1940-44	Estimated 1945	Recom- mended 1946	1946 of 1945
	ac.	ac.	ac.	ac.	%
CANADA.....	2,617	1,274	1,308	1,550	118.5

SUPPLY SITUATION

(MARKETING YEARS ENDING SEPTEMBER 30)

	Average 1935-39	Average 1940-44	1944-45	Preliminary 1945-46	Recom- mended 1946-47
(thousand pounds re-dried weight)					
Carryover of old leaf (Sept. 30 previous year).....	2,335	3,112	1,712	1,700	1,450
Previous year's crop (not included in carryover).....	2,318	1,866	1,286	1,050	1,600
Imports, current year.....					
Total Supplies.....	4,653	4,978	2,998	2,750	3,050
Exports, current year.....	845	515	300	300	.....
Available for manufacture.....	3,808	4,463	2,698	2,450	.....
Carryover of leaf prior to current crop (Sept. 30).....	2,444	2,930	1,700	1,450	.....
Apparent disappearance.....	1,364	1,533	998	1,000	.....

TABLE 50.—CIGAR LEAF TOBACCO ACREAGE AND RECOMMENDATIONS FOR 1946

—	Average 1935-39	Average 1940-44	Estimated 1945	Recom- mended 1946	1946 of 1945
	ac.	ac.	ac.	ac.	%
Quebec.....	4,409	3,406	2,800	5,000	178.5

SUPPLY SITUATION

(MARKETING YEARS ENDING SEPTEMBER 30)

—	Average 1935-39	Average 1940-44	1944-45	Preliminary 1945-46	Recom- mended 1946-47
(thousand pounds re-dried weight)					
Carryover of old leaf (Sept. 30 previous year).....	5,237	6,632	4,490	4,900	4,570
Previous year's crop (not included in carryover).....	4,004	3,515	2,563	2,670	4,730
Imports, current year.....	588	854	1,000	1,000	1,000
Total Supplies.....	9,829	11,001	8,053	8,570	10,300
Exports, current year.....	36	10	.....	.....	.....
Available for manufacture.....	9,793	10,991	8,053	8,570	.....
Carryover of leaf prior to current crop (Sept. 30).....	5,329	6,223	4,900	4,570	.....
Apparent disappearance.....	4,464	4,768	3,153	4,000	.....

TABLE 51.—PIPE TOBACCO ACREAGE AND RECOMMENDATIONS FOR 1946

—	Average 1935-39	Average 1940-44	Estimated 1945	Recom- mended 1946	1946 of 1945
	ac.	ac.	ac.	ac.	%
Quebec.....	3,160	2,208	2,775	2,750	99.1

SUPPLY SITUATION

(MARKETING YEARS ENDING SEPTEMBER 30)

—	Average 1935-39	Average 1940-44	1944-45	Preliminary 1945-46	Recom- mended 1946-47
(thousand pounds re-dried weight)					
Carryover of old leaf (Sept. 30 previous year).....	2,622	2,205	1,304	1,600	1,500
Previous year's crop (not included in carryover).....	2,405	2,053	1,712	1,300	1,355
Imports, current year.....	.....	.....	.....	.....	.....
Total Supplies.....	5,027	4,258	3,016	2,900	2,855
Exports, current year.....	690	240	120	100	.....
Available for manufacture.....	4,337	4,018	2,896	2,800	.....
Carryover of leaf, prior to current crop (Sept. 30).....	2,525	1,960	1,600	1,500	.....
Apparent disappearance.....	1,812	2,058	1,296	1,300	.....

MAPLE PRODUCTS

The probable production of maple products in 1946, assuming that normal weather conditions prevail during the harvesting season, will greatly exceed the crop of 1945 in which year adverse conditions during the harvesting season resulted in one of the poorest crops on record. Not only was the volume of production low, but the quality of the crop was poor. There probably will be some difficulty in replacement of worn-out equipment, but the labour situation should be somewhat easier, and it is expected that farmers will produce to the limit of capacity at present price levels.

TABLE 52.—MAPLE PRODUCTION AND ESTIMATE FOR 1946
(In gallons of syrup)

Province	Average 1935-39	Average 1940-44	1945	Estimate 1946	% of 1935-39	% of 1940-44	% of 1945
Canada.....	2,683,357	2,802,692	1,530,000	2,750,000	102	99	180
Nova Scotia.....	12,359	11,834	5,800	.....	.....	.....	.....
New Brunswick.....	24,047	22,394	17,100	.....	.....	.....	.....
Quebec.....	2,066,768	2,274,254	1,383,400	.....	.....	.....	.....
Ontario.....	580,198	494,792	123,700	.....	.....	.....	.....

N.B.—10 pounds of sugar equivalent to 1 gallon syrup.

SUPPLY SITUATION ¹

—	Average 1935-39	1940-44	1945	1946
Stocks ²				
Production.....	2,683,357	2,802,692	1,530,000	2,750,000
Imports.....	884	364	127	.....
Total Supply.....	2,684,241	2,803,056	1,530,127	.....
Exports.....	567,484	715,155	388,743	.....
Available Supply.....	2,116,757	2,087,901	1,141,384	.....

¹ Crop year ended March 31.

² Not available.

HONEY

Because of unfavourable weather conditions the honey crop fell short of the 1945 objective by some 10,000,000 pounds and although rationing has remained in effect the demand for honey far exceeds current supply.

Indications are that there was an increase in the number of producing colonies in 1945 compared with the 508,500 hives reported in 1944. Using the 1944 figures and the average colony production figures for the various provinces over the ten-year period 1935-44 as a basis of calculation it is reasonable to expect a crop of 43,036,000 pounds and it is felt the objective for 1946 should be increased to this level even though it represents an increase of 65.3 per cent over the estimated crop of 1945 and 31.2 per cent over the 1940-44 average. Given favourable weather conditions across the country it is possible for the crop to exceed this figure by as much as 40 per cent.

TABLE 53.—HONEY PRODUCTION AND RECOMMENDATIONS FOR 1946

	Average 1935-39	Average 1940-44	1945 Preliminary	Recom- mended 1946	1945 of 1946
	(000 lb.)				%
Canada.....	35,746	32,789	26,035	43,036	165.3
Prince Edward Island.....	13	28	52	55	105.6
Nova Scotia.....	59	76	83	84	101.8
New Brunswick.....	65	178	200	168	84.2
Quebec.....	4,492	3,757	2,000	5,112	255.0
Ontario.....	18,551	15,554	5,000	17,357	347.1
Manitoba.....	6,961	4,311	5,000	6,152	123.0
Saskatchewan.....	2,377	4,267	6,500	6,336	97.4
Alberta.....	1,941	3,354	6,000	6,150	102.5
British Columbia.....	1,288	1,263	1,200	1,622	135.1

FLAX FIBRE

The decline in acreage of flax fibre in 1945 was chiefly due to the poor seeding conditions in the spring.

The production and processing of flax fibre was almost negligible prior to 1939 but has been considerably stepped up in Canada during wartime in response to requests from the United Kingdom. An industry has been built up with a scutching capacity for the product of 40,000 acres.

The British Ministry of Supply is accepting delivery from the 1945 crop as per contract up to September 15, 1946, and has offered to take from the 1946 crop at considerably reduced prices 500 tons¹ of dew retted flax and 1,000 tons¹ of dew retted tow.

The future of the industry depends upon the quality of product grown. Efforts must also be made to increase the yield per acre and lower the cost of production.

Because of the investment made in developing the flax fibre processing industry, it is likely that efforts will be made by the industry to keep going on a profitable basis.

It is estimated, that on the basis of the offer made by the United Kingdom and the opening of a market for high quality seed, together with the quantity of the product which will be disposed of by the industry, approximately 25,000 acres will be planted to flax fibre in the spring of 1946.

TABLE 54.—ACREAGE AND PRODUCTION OF FLAX FIBRE*

Year	Area Planted	Graded Scutched Flax		Graded Scutched Tow
		ac.	tons	
1939-40.....		8,306	538	1,806
1940-41.....	20,275	1,020	1,499	
1941-42.....	44,467	1,455	3,877	
1942-43.....	47,070	1,479 ²	3,177 ²	
1943-44.....	35,000	1,370 ³	3,077 ³	
1944-45.....	39,102	895	1,743	
1945-46.....	21,271 ⁴	1,250 ⁴	1,750 ⁴	
1946-47.....	25,000 ⁵			

* Crop years ending July 31.

¹ Gross tons.

² Includes the production secured from 5,000 acres of crop planted in 1941.

³ Includes production from about 8,000 acres of crop carried over from 1942 plantings.

⁴ Estimated.

⁵ Estimated production.

HORSES

The number of horses on farms in Canada as at June 1, has declined steadily since 1942. In 1945 the horse population was 94·5 per cent of the previous year showing a decrease of 32,000 mares and 71,000 colts and fillies. The number of geldings showed an increase of 44,000.

TABLE 55.—NUMBER OF HORSES ON FARMS AT JUNE 1 IN CANADA BY CLASS

—	1935-39 Average	1940-44 Average	1944	1945
(000 head)				
Stallions, 2 years old and over.....	21	22	22	20
Mares, 2 years old and over.....	1,287	1,228	1,237	1,205
Geldings, 2 years old and over.....	1,145	1,136	1,163	1,119
Colts and fillies under 2 years.....	380	1,194	312	241
Total.....	2,833	2,780	2,734	2,585

TOTAL HORSES ON FARMS BY PROVINCES, JUNE 1

—	1935-39 Average	1940-44 Average	1945	1945 as % 1944
CANADA	2,832,710	2,779,030	2,584,800	94
British Columbia.....	57,420	62,060	60,200	98
Alberta.....	665,260	635,340	564,200	94
Saskatchewan.....	852,060	812,240	782,800	96
Manitoba.....	305,180	300,180	264,200	91
Ontario.....	564,560	525,260	491,300	97
Quebec.....	295,340	334,020	314,100	91
New Brunswick.....	45,420	46,200	46,200	99
Nova Scotia.....	37,160	36,000	35,300	99
Prince Edward Island.....	28,340	27,730	26,500	98

TABLE 56.—EXPORTS OF HORSES FROM CANADA 1935-45

Period	Number of Head
1935-39.....	9,448
1940-44 Average.....	10,546
1944.....	22,196
1945 (11 months).....	18,359

The United States is the most important market for horses exported from Canada. However, approximately 2,500 head were shipped to France and Holland after the cessation of hostilities in Europe.

SEEDS

No recommendations are made with respect to seed for the production of cereals, oil-bearing crops, field beans and peas, fibre flax and corn, since seed can be recovered from commercial production to provide ample supplies. Only a limited quantity of these crops is grown exclusively for seed. Supplies of some of these kinds are larger than others, but in every case it is considered that supplies of seed will be available from 1945 production to plant the acreage recommended in 1946. It might be pointed out that certain crops, such as field beans, have suffered a severe loss at time of harvest, but an analysis of the situation appears to assure sufficient supplies to provide for 1946 seeding requirements.

HAY AND PASTURE SEED CROPS

Alfalfa.—Supplies of alfalfa seed in Canada from 1945 production are little more than required for Canadian use. The limited quantity available for export will be far short of filling export requirements. Because of the exceptionally high demand for this seed in the United States and most northern European countries, it is considered necessary to stress the impossibility of over-production in 1946 and the probability of a very strong export market for the immediate future.

TABLE 57.—ALFALFA SEED PRODUCTION AND RECOMMENDATIONS FOR 1946

—	1942	1943	1944	1945	1946	1946 of 1945
(thousand pounds)						
CANADA	4,800	4,486	9,570	7,430	15,000	202
Maritime Provinces.....						
Quebec.....	13	76	5	230		
Ontario.....	1,344	700	1,930	960		
Manitoba.....	960	700	1,300	960		
Saskatchewan.....	528	2,135	3,770	2,000		
Alberta.....	1,903	1,450	2,500	4,000		
British Columbia.....	52	125	65	240		

SUPPLY SITUATION

CROP YEAR ENDING JUNE 30

—	1942-43	1943-44	1944-45	1945-46 Preliminary
(thousand pounds)				
Stocks at beginning of year.....	60	200	507	780
Production.....	4,800	4,486	9,570	7,430
Imports.....	4			
Total Supplies.....	4,864	4,686	10,077	8,210
Exports.....	2,255	584	4,979	2,500
Available for domestic use.....	2,609	4,102	5,098	5,710

Alsike Clover.—Supplies of alsike clover seed in Canada for seeding in 1946 are insufficient to meet Canadian requirement and export demand. Immediate pre-war exports exceeding four million pounds annually were made chiefly to the United Kingdom. The present and anticipated future demand from the United Kingdom and other European countries for Canadian grown alsike clover seed, warrants a recommended production in excess of the quantity that has been produced during the war years.

TABLE 58.—ALSIKE CLOVER SEED PRODUCTION AND RECOMMENDATIONS FOR 1946

—	1942	1943	1944	1945	1946	1946 of 1945
(thousand pounds)						
CANADA	913	4,760	1,905	2,795	7,000	250
Maritime Provinces.....						
Quebec.....	22	251				
Ontario.....	155	4,117	950	1,506		
Manitoba.....	134	15	100	100		
Saskatchewan.....			10	50		
Alberta.....	390	275	500	1,000		
British Columbia.....	212	102	345	139		

SUPPLY SITUATION

CROP YEAR ENDING JUNE 30

—	1942-43	1943-44	1944-45	1945-46 Preliminary
(thousand pounds)				
Stocks at beginning of year.....	750	124	843	350
Production.....	913	4,760	1,905	2,795
Imports.....	114	.....	.....	.....
Total Supplies.....	1,777	4,884	2,748	3,145
Exports.....	52	690	104	1,000
Available for domestic use.....	1,725	4,194	2,644	2,145

Red Clover.—There is a keen demand for Canadian supplies of red clover seed. Production of red clover seed in Canada from the 1944 crop was at a level which permitted substantial quantities to be exported. Primarily, because of unseasonable harvesting weather, the 1945 crop is expected to do little more than supply the Canadian demand. As in the case of alfalfa and alsike clover, an immediate over-supply is considered unlikely.

TABLE 59.—RED CLOVER SEED PRODUCTION AND RECOMMENDATIONS FOR 1946

—	1942	1943	1944	1945	1946	1946 of 1945
(thousand pounds)						
CANADA	1,598	7,297	8,960	4,442	10,000	225
Maritime Provinces.....	14	.....	20	30	.....	.....
Quebec.....	54	1,792	2,100	500	.....	.....
Ontario.....	1,025	4,815	5,815	2,465	.....	.....
Manitoba.....	57	10	100	100	.....	.....
Saskatchewan.....	.....	10	30	50	.....	.....
Alberta.....	208	450	475	900	.....	.....
British Columbia.....	240	220	420	397	.....	.....

SUPPLY SITUATION

CROP YEAR ENDING JUNE 30

—	1942-43	1943-44	1944-45	1945-46 Preliminary
(thousand pounds)				
Stocks at beginning of year.....	225	110	875	1,009
Production.....	1,598	7,297	8,960	4,442
Imports.....	1,165	20	.....	.....
Total Supplies.....	2,988	7,427	9,835	5,451
Exports.....	.....	83	2,362	500
Available for domestic use.....	2,988	7,344	7,473	4,951

Sweet Clover.—The present demand for sweet clover seed in the United States is very strong and there is every indication that the Canadian exportable surplus of approximately eight million pounds from the 1945 crop will find a ready export market. However, it is recommended that a smaller quantity of this seed be harvested in Canada in 1946 than was harvested during the past two years, since normal exports of sweet clover seed, which are limited entirely to the United States, are only four million pounds. In addition there is prospect of a larger United States crop, and the possibility of a larger available seed supply of more desirable legumes, which would result in a lowering of the demand for sweet clover seed.

TABLE 60.—SWEET CLOVER SEED PRODUCTION AND RECOMMENDATIONS FOR 1946

—	1942	1943	1944	1945	1946	1946 of 1945
(thousand pounds)						
CANADA	5,959	6,812	11,892	10,300	8,000	77
Maritime Provinces.....						
Quebec.....	8					
Ontario.....	655	306	1,427	710		
Manitoba.....	1,728	3,500	5,200	4,000		
Saskatchewan.....	954	1,343	1,200	500		
Alberta.....	2,614	1,500	4,000	5,000		
British Columbia.....		72	65	90		

SUPPLY SITUATION

CROP YEAR ENDING JUNE 30

—	1942-43	1943-44	1944-45	1945-46 Preliminary
(thousand pounds)				
Stocks at beginning of year.....	550	1,390	932	1,438
Production.....	5,959	6,812	11,892	10,300
Imports.....	89			
Total Supplies.....	6,598	8,202	12,824	11,738
Exports.....	1,985	4,363	8,880	8,000
Available for domestic use.....	4,613	3,839	3,944	3,738

Timothy.—Production of timothy seed in Canada has greatly expanded during the past few years, with production in 1945 exceeding all previous harvests. Normally, Canada was a heavy importer of timothy seed from the United States. A point was reached in the crop year 1944-45 where the exports of timothy seed were only slightly less than the imports, and the present overall situation for the 1945-46 season indicates that for the first time exports of this seed will exceed imports. Supplies of timothy seed are available to meet all present demands, and a continuing increase in production is considered unwarranted if a depressed price situation and an undesirable carryover position is to be avoided. The recommendation for 1946 production has been established, with a view to providing sufficient seed to meet normal Canadian domestic needs, plus an additional quantity to fill anticipated export requirements.

TABLE 61.—TIMOTHY GRASS SEED PRODUCTION AND RECOMMENDATIONS FOR 1946

—	1942	1943	1944	1945	1946	1946 of 1945
(thousand pounds)						
CANADA	13,713	14,879	11,096	16,010	15,000	93
Maritime Provinces.....	22	200	200	200		
Quebec.....	220	3,990	3,000	3,550		
Ontario.....	10,465	8,973	6,374	9,985		
Manitoba.....	127	100	80	400		
Saskatchewan.....	1,508	19	10	15		
Alberta.....	1,371	1,000	1,200	1,200		
British Columbia.....		597	232	690		

SUPPLY SITUATION

CROP YEAR ENDING JUNE 30

—	1942-43	1943-44	1944-45	1945-46 Preliminary
(thousand pounds)				
Stocks at beginning of year.....	1,000	3,684	4,881	2,959
Production.....	13,713	14,879	11,096	16,040
Imports.....	930	2,286	1,702	1,000
Total Supplies.....	15,643	20,849	17,679	19,999
Exports.....	332	803	1,458	1,680
Available for domestic use.....	15,311	20,046	16,221	18,319

Brome Grass.—Exports of Canadian brome grass seed to the United States have continued on a record high level. The 1945 crop in the United States was considerably reduced from this record crop in 1944, so that the demand for Canadian brome is expected to remain firm for the present crop year. A Canadian harvest that will fill normal Canadian and export demand is recommended for 1946.

TABLE 62.—BROME GRASS PRODUCTION AND RECOMMENDATIONS FOR 1946

—	1942	1943	1944	1945	1946	1946 of 1945
(thousand pounds)						
CANADA	10,086	10,439	11,090	10,000	8,000	80
Manitoba.....	2,421	2,500	2,500	3,000	.....	.....
Saskatchewan.....	3,630	3,929	4,500	3,000	.....	.....
Alberta.....	4,024	4,000	4,000	4,000	.....	.....
British Columbia.....	11	10	90	.....	.....	.....

SUPPLY SITUATION
CROP YEAR ENDING JUNE 30

—	1942-43	1943-44	1944-45	1945-46 Preliminary
(thousand pounds)				
Stocks at beginning of year.....	650	778	669	814
Production.....	10,086	10,439	11,090	10,000
Imports.....	.....	.....	.....	.....
Total Supplies.....	10,736	11,217	11,759	10,814
Exports.....	6,845	5,697	6,465	8,000
Available for domestic use.....	3,891	5,520	5,294	2,814

Crested Wheat Grass.—Although the export demand for crested wheat grass seed was greatly reduced last year, the demand for the crop is expected to return to normal. This is indicated since the Canadian market is dependent upon United States demand, and this year the crop in the United States is currently estimated at 21 per cent of the 1944 crop.

TABLE 63.—CRESTED WHEAT GRASS PRODUCTION AND RECOMMENDATIONS FOR 1946

—	1942	1943	1944	1945	1946	1946 of 1945
(thousand pounds)						
CANADA	2,600	2,494	2,365	1,325	2,000	152
Manitoba.....	364	240	200	375	.....	.....
Saskatchewan.....	1,947	1,954	1,900	750	.....	.....
Alberta.....	286	300	250	200	.....	.....
British Columbia.....	3	.....	15	.....	.....	.....

SUPPLY SITUATION

CROP YEAR ENDING JUNE 30

—	1942-43	1943-44	1944-45	1945-46 Preliminary
(thousand pounds)				
Stocks at beginning of year.....	350	248	464	586
Production.....	2,600	2,494	2,365	1,325
Imports.....	.....	.....	.....	.....
Total Supplies.....	2,950	2,742	2,829	1,911
Exports.....	1,291	1,492	581	1,200
Available for domestic use.....	1,659	1,250	2,248	711

Other Grasses.—The overall production has greatly increased in 1945 for the less widely grown grasses which will assist materially in supplying the rising demands for these grasses. This year's total harvest of the kinds listed is more than three times the 1944 crop. Formerly, Canadian requirements of Kentucky blue grass, meadow fescue and orchard grass were met primarily by importations from the United States. Production of these kinds in Canada this year will come very close to meeting total Canadian needs. The maintenance of the 1945 production level is recommended for all kinds for 1946 and, in particular, it is believed necessary to especially encourage the production for seed purposes of the new superior strains of meadow fescue and orchard grass, to the extent that all existing improved seed stocks are multiplied.

TABLE 64.—OTHER GRASS SEED PRODUCTION AND RECOMMENDATIONS FOR 1946

—	1942	1943	1944	1945	1946	1946 of 1945
(thousand pounds)						
CANADA	777	645	570	1,791	.....	.....
Canada Blue Grass.....	420	340	175	325	350	108
Kentucky Blue Grass.....	130	61	25	500	500	100
Creeping Red Fescue.....	227	236	310	805	800	99
Meadow Fescue.....	nil	4	43	130	150	115
Orchard Grass.....	nil	4	17	31	50	161

SUPPLY SITUATION

—	1942-43	1943-44	1944-45	1945-46 Preliminary
(thousand pounds)				
Stocks at beginning of year.....	N.A. ¹	N.A. ¹	227	205
Production.....	777	645	570	1,791
Imports.....	479	401	638	150
Total Supplies.....	1,256	1,046	1,435	2,146
Exports.....	317	191	103	400
Available for domestic use.....	939	855	1,332	1,746

¹ Not available.

GARDEN VEGETABLE AND FIELD ROOT SEED CROPS

The critical situation with regard to vegetable and field root seeds which existed during almost the entire war period, has been completely eliminated. An expanded Canadian production, along with an expanded production in the United States, which was practically the only other source of supply during the war years, has once again restored the pre-war position with regard to reserve stocks for all kinds. Prior to the war a large proportion of Canada's requirements of field root and vegetable seeds were imported from European sources of supply. With the end of the war, these sources of supply are once more available and the Canadian producers are faced with almost immediate competition from these former supplying areas.

Canadian production has been expanded, not only to meet the needs of Canadian consumers, but to an even larger degree, to assist in supplying the needs of the United Kingdom. The retention of all or part of this export market is dependent upon the ability of our producers to meet the competition from European, United States and other producing areas. The manner in which producers meet this competition will be determined by their ability to supply the kinds and varieties of seeds most acceptable to the British market, of a quality equal or superior to, and at a price competitive with seed that will become available from these areas.

Faced with this competition, which is equally keen on the home as well as the export market, Canadian producers are strongly advised to produce only those quantities, kinds and varieties of seeds for which definite contracts can be obtained. Production recommendations mention specific quantities which are based on the present supply position of all kinds, as well as the indicated 1946 contract production of biennials.

TABLE 65.—VEGETABLE AND FIELD ROOT PRODUCTION AND RECOMMENDATIONS 1946

Kind	1942	1943	1944	1945	1946-47 ¹
	lb.	lb.	lb.	lb.	lb.
Beans (Garden).....	300,000	615,675	849,940	1,210,000	750,000
Beet.....	11,500	33,980	79,840	73,450	Nil
Cabbage.....	2,000	4,925	6,500	15,950	Nil
Carrot.....	102,000	88,440	222,695	295,050	Nil
Cauliflower.....	1,200	4,900	5,750	2,400	Nil
Corn.....	17,500	559,600	533,500	725,000	500,000
Cucumber.....	3,000	9,035	15,835	21,000	Nil
Leek.....	4,500	5,880	4,875	3,300	Nil
Lettuce.....	18,000	20,155	30,000	51,935	5,000
Mangel.....	110,000	182,845	290,200	121,500	40,000
Muskmelon.....	200	145	650	750	Nil
Onion.....	84,500	250,390	232,175	309,650	50,000
Parsnip.....	15,000	17,560	38,100	11,500	Nil
Peas (Garden and Canning).....	7,000,000	13,282,180	9,553,600	11,170,000	18,000,000
Pepper.....		255	340	110	Nil
Pumpkin.....	100	1,675	2,600	3,200	Nil
Radish.....	167,000	220,435	183,855	220,770	25,000
Spinach.....	51,000	34,085	56,850	38,500	15,000
Squash and Marrow.....	4,800	9,285	14,500	16,800	Nil
Swede.....	90,000	83,970	161,150	110,500	40,000
Tomato.....	5,000	6,545	11,800	6,750	Nil
Watermelon.....			320	600	Nil

¹ 1946 for annual crops.

1947 for biennial crops.

GARDEN VEGETABLE AND FIELD ROOT SEEDS SUPPLY SITUATION 1944-1945
CROP YEAR ENDING JUNE 30 (FINAL)

Kind	Stocks at beginning of Period	Production	Imports	Total Supply	Exports	Available for Domestic Use
	lb.	lb.	lb.	lb.	lb.	lb.
Bean (Garden).....	267,020	849,940	547,931	1,664,891	5,096	1,659,795
Beet.....	41,712	79,840	121,977	243,529	48,547	194,982
Cabbage.....	7,769	6,500	26,107	40,376	1,467	38,909
Carrot.....	68,605	222,695	46,783	338,083	178,191	159,892
Cauliflower.....	1,132	5,750	1,620	8,502	4,606	3,896
Corn (Sweet).....	142,027	533,500	907,453	1,582,980	2	1,582,978
Cucumber.....	22,939	15,835	56,448	95,222	2,460	92,762
Leek.....	946	4,875	1,975	7,796	3,960	3,836
Lettuce.....	17,312	30,000	31,465	78,777	20,925	57,852
Mangel.....	288,237	290,200	57,584	636,021	206,539	429,482
Muskmelon.....	2,647	650	6,033	9,330	.....	9,330
Onion.....	42,280	232,175	44,542	318,997	186,959	132,038
Parsnip.....	7,999	38,100	6,569	52,668	1,058	51,610
Peas (Garden and Canning).....	1,854,709	9,553,600	4,161,690	15,569,999	1,586,565	13,983,434
Pepper.....	704	340	656	1,700	.....	1,700
Pumpkin.....	7,885	2,600	5,222	15,707	.....	15,707
Radish.....	63,169	183,855	43,010	290,034	109,102	180,932
Spinach.....	44,380	56,850	26,553	127,763	18,271	109,492
Squash and Marrow.....	8,740	14,500	10,173	33,413	6,489	26,924
Swede.....	171,490	161,150	117,026	449,666	6,722	442,944
Tomato.....	5,377	11,800	6,368	23,545	6,254	17,291
Watermelon.....	2,775	320	4,867	7,962	.....	7,962

GARDEN VEGETABLE AND FIELD ROOT SEEDS SUPPLY SITUATION 1945-46

CROP YEAR ENDING JUNE 30 (PRELIMINARY)

Bean (Garden).....	453,981	1,210,000	350,000	2,013,981	100,000	1,913,981
Beet.....	94,144	73,450	55,000	222,594	50,000	172,594
Cabbage.....	19,983	15,950	15,000	50,933	5,200	45,733
Carrot.....	90,349	295,050	70,000	455,399	50,000	405,399
Cauliflower.....	1,972	2,400	1,000	5,372	.....	5,372
Corn (Sweet).....	493,908	725,000	550,000	1,768,908	.....	1,768,908
Cucumber.....	42,981	21,000	40,000	103,981	3,250	100,731
Leek.....	1,946	3,300	1,500	6,746	3,000	3,746
Lettuce.....	27,709	51,935	40,000	119,644	43,000	76,644
Mangel.....	287,153	121,500	5,000	413,653	165,000	248,653
Muskmelon.....	3,971	750	4,000	8,721	.....	8,721
Onion.....	61,497	309,650	45,000	416,147	140,000	267,147
Parsnip.....	31,962	11,500	15,000	58,462	.....	58,462
Peas (Garden and Canning).....	2,196,351	11,170,000	1,000,000	14,366,351	1,563,000	12,803,351
Pepper.....	655	.....	550	.....	.....	.....
Pumpkin.....	11,448	3,200	3,000	17,648	.....	17,648
Radish.....	62,709	220,770	50,000	333,479	133,000	200,479
Spinach.....	66,217	38,500	25,000	129,717	.....	129,717
Squash and Marrow.....	19,121	16,800	10,000	45,921	10,000	35,921
Swede.....	322,138	110,500	15,000	447,638	447,638
Tomato.....	7,873	6,750	5,000	19,623	19,623
Watermelon.....	3,512	600	4,000	8,112	8,112

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Agricultural Supplies Board

CANADIAN AGRICULTURAL PROGRAM

for 1947



Agricultural Supplies Board
Dominion Department of Agriculture



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THE HON. JAMES G. GARDINER,
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SUMMARY OF RECOMMENDATIONS FOR 1947

	Unit	1946 Production	1947 Recommendation	1947 of 1946
<i>Grain and Forage Crops—</i>				%
Wheat.....	ac.	25,900,000	24,000,000	93
Oats.....	ac.	13,162,700	14,310,200	109
Barley.....	ac.	6,730,500	8,000,000	119
Mixed Grain.....	ac.	1,399,300	1,453,400	104
Husking Corn.....	ac.	246,500	265,000	107
Rye.....	ac.	518,000	487,100	94
Summerfallow (Prairie Prov.).....	ac.	18,906,000	18,811,100	99
Hay and Clover.....	ac.	10,223,000	10,223,000	100
Alfalfa Hay.....	ac.	1,540,400	1,540,400	100
<i>Meat Animals (Marketings)—</i>				
Hogs.....	no.	4,350,000	5,175,000	119
Cattle.....	no.	1,720,000	1,720,000	100
Calves.....	no.	770,000	770,000	100
Sheep and Lambs.....	no.	1,275,000	1,175,000	92
<i>Dairy Products—</i>				
Milk (Total).....	lb.	16,906,000,000	17,888,000,000	106
Creamery Butter.....	lb.	270,100,000	295,000,000	109
Cheddar Cheese.....	lb.	139,775,000	183,000,000	131
Evaporated Whole Milk.....	lb.	193,000,000	201,600,000	104
Condensed Whole Milk.....	lb.	30,000,000	30,000,000	100
Whole Milk Powder.....	lb.	14,500,000	14,500,000	100
Skim-milk Powder.....	lb.	40,000,000	40,000,000	100
<i>Eggs and Poultry—</i>				
Eggs (Total).....	doz.	345,000,000	378,500,000	110
Poultry Meat.....	lb.	315,000,000	315,000,000	100
<i>Fruits and Vegetables—</i>				
Apples.....	bus.	17,594,000	17,000,000	97
Pears.....	bus.	900,000	1,025,000	114
Plums and prunes.....	bus.	670,000	640,000	96
Peaches.....	bus.	2,113,000	2,050,000	97
Apricots.....	bus.	162,000	110,000	68
Cherries.....	bus.	292,000	375,000	128
Strawberries.....	quarts	16,103,000	16,800,000	104
Raspberries.....	quarts	12,383,000	13,825,000	112
Grapes.....	lbs.	65,260,000	65,000,000	100
Loganberries.....	lbs.	1,731,000	1,800,000	104
Potatoes.....	ac.	520,600	516,000	99
Canning Beans.....	ac.	9,220	9,250	100
Canning Corn.....	ac.	41,490	45,000	108
Canning Peas.....	ac.	49,810	42,500	85
Canning Tomatoes.....	ac.	53,760	50,000	93
<i>Oilseed Crops—</i>				
Soybeans.....	ac.	59,200	60,000	101
Rapeseed.....	ac.	26,500	26,500	100
Sunflower Seed.....	ac.	20,712	28,000	135
Flaxseed.....	ac.	1,008,500	1,500,000	149
<i>Other Crops—</i>				
Dried Beans.....	ac.	91,700	96,400	105
Dried Peas.....	ac.	125,200	125,200	100
Sugar Beets.....	ac.	67,500	95,000	141
Tobacco—				
Flue Cured.....	ac.	95,938	102,150	106
Burley.....	ac.	14,000	15,000	107
Cigar Leaf.....	ac.	4,200	5,000	119
Dark.....	ac.	2,000	2,000	100
Pipe.....	ac.	2,250	2,500	111
Fibre Flax.....	ac.	15,840	21,000	133
<i>Seed Crops—</i>				
Alfalfa Seed.....	lb.	7,712,000	12,000,000	156
Alsike Clover Seed.....	lb.	4,097,000	7,000,000	171
Red Clover Seed.....	lb.	8,855,000	10,000,000	113
Sweet Clover Seed.....	lb.	8,423,000	8,000,000	95
Timothy Seed.....	lb.	13,352,000	15,000,000	112
Brome Grass Seed.....	lb.	9,800,000	8,000,000	82
Crested Wheat Grass Seed.....	lb.	1,110,000	2,000,000	180
Other Grass Seeds.....	lb.	1,088,000	1,850,000	170
<i>Miscellaneous—</i>				
Maple Products.....	gal.	2,144,000	2,750,000	128
Honey.....	lb.	22,590,000	40,000,000	156
Wool.....	lb.	13,711,000	13,000,000	95

THE DECEMBER CONFERENCE AND THE 1947 PROGRAM

The recommendations presented herein were discussed at a Conference in Ottawa on December 2, 3, and 4, 1946. It was the fourteenth agricultural conference held since the outbreak of the war and the fifth annual conference convened under the auspices of the Agricultural Supplies Board to discuss the agricultural program for the coming year. As on previous occasions, representatives were present from each provincial Department of Agriculture as well as from the Canadian Federation of Agriculture. Others present in addition to Dominion Government officials included representatives from the British Food Mission and the United States Department of Agriculture.

Prior to the Conference preliminary reports were prepared for each commodity incorporating the latest statistical information relevant to discussions on the 1947 program. These reports were prepared at Ottawa by a number of subcommittees co-ordinated by a Central Committee responsible to the Agricultural Supplies Board. On the basis of the best available information with respect to present supply and the probable requirements of the various commodities in 1947, it was possible for each committee to suggest the desired level of output for the coming year.

In welcoming the delegates, Hon. James G. Gardiner, the Dominion Minister of Agriculture, remarked that the Conference was the second since the end of the war called to plan for production on Canadian farms during the following year. During the war years, many conferences had been held and since 1942, the practice had been established of holding this annual meeting during the first week of December. It had been suggested that the dates be changed this year to fit in with another agricultural gathering, but it was considered desirable that the Conference should be held again on the first three days of the first full week of December, in order that provincial departments of agriculture and farm organizations might plan their obligations ahead and reserve these dates each year for the Conference.

A suggestion had been made also that the agenda might be broadened to include discussions on world requirements and domestic and economic conditions. He considered, however, that if this was done, it would involve so many other departments and interests, that the primary objective of the meetings might be lost in the discussion. It was the Minister's opinion that the Conference was one called to plan the agricultural production program for the following year. While it was true that to reach sound decisions in this regard it was necessary that world requirements and home economic conditions be known, it seemed better for the delegates to discuss proposals made with regard to different products in the light of the known conditions, rather than to discuss the conditions themselves at any great length. If the latter procedure were adopted, the Conference would become involved in matters outside the scope of its immediate purpose.

Continuing, the Minister stated that production in 1946 was up for every important food and fibre product as compared with prewar years, and down as compared with 1944 production. He would like to submit to the Conference that production of livestock products reached the unprecedented levels of 1944 because at the end of the crop year 1942-43 there was as much feed grain in sight as was fed in any previous two years. At the same time 600,000,000 bushels of wheat grown in previous years was in storage, and a good crop was about to be harvested for which there was no ready market. By July, 1945, however, there was only one month's supply of feed grain carried over with one of Canada's very poor crops being harvested, and about 250,000,000 bushels of wheat in storage. By July 31, 1946, the grain position in relation to storage was the lowest since 1938. These facts emphasized the necessity for increasing the

production of feed grain and other feeds, if Canada was to obtain higher production of livestock, including dairy products. It would seem useless to spend the time of the Conference discussing means of inducing farmers to increase livestock and dairy production, unless we have first planned to effectively increase feed grain production.

The decision reached with regard to feed grain would establish the basis for planning regarding other products. If it was decided to increase feed grain production, plans could be laid for a higher overall production of livestock and dairy products. Whichever decision was reached, it would be necessary to consider the necessity for adjustment of objectives as among the different products which make up the total of livestock and dairy products. It would seem that whatever level of overall production is sought, definite conclusions should be reached; first as to whether it is in the interests of consumers and farmers to increase meat production at the expense of dairy products or vice versa; and second, what the division should be as among the meat and dairy products. Canada's production of livestock and dairy products had never been such as to entirely meet the requirements of export markets. We also find it difficult at times to produce some of our products at prices at which others are prepared to place them in a given market. We are now laying the plans for a peacetime period and we should face the facts and advise farmers accordingly.

The Minister continued that he thought it correct to say that throughout 1947 there would be a market for all of any farm product which is available, at the price which is permitted in Canada, and at a higher price than we are now obtaining for products marketed outside Canada. It was generally thought that the turn toward lower prices might come in 1948. Canada had followed the policy of trying to stabilize the price of that part of the product sold outside Canada down to at least 1949, by selling to Great Britain the entire surplus of every livestock product, except cheese, for which the 1948 crop is not sold, at a price or with a known floor established under the price. A considerable part of the wheat crop had been sold in a similar manner to be delivered up to the end of the 1949 crop year.

The unknown factor at the moment was the return to be received for the greater part of our production which is marketed in Canada. The Minister stated that he thought it could be assumed that so long as cost cannot be reduced, returns to farmers will not be permitted to drop.

In conclusion the Minister welcomed the representatives of the agricultural departments of the provinces, the representatives of the farm organizations, the editors of the farm newspapers and others who were privileged to attend. He trusted the discussion would be of assistance to all in bringing encouragement to farmers by pointing the way to greater production and prosperity.

Before consideration was given to the commodity reports, Dr. H. Barton, Deputy Dominion Minister of Agriculture, addressed the Conference briefly on the work of the Food and Agricultural Organization since its establishment in October, 1945. The first major task was a world food survey, which disclosed that severe gaps existed in the world food supply and that shortages would continue for at least another year and probably longer. At the beginning of 1946, the President of the United States and the British Food Minister stated simultaneously that there was a world food crisis. The situation was discussed by the Foreign Ministers of some of the United Nations and it was agreed that special and immediate action would have to be taken to deal with it. As a result, a world allocating agency was recommended by FAO to replace the Combined Food Board which had functioned during most of the war period. This agency is now the International Emergency Food Council and will function until the end of 1947, or as long as shortages in basic foodstuffs continue. About thirty countries are represented on the Council, and information on the world

food situation is supplied by FAO. At the second Conference of FAO held in Copenhagen in September, 1946, the Director-general, Sir John Boyd Orr, proposed the formation of a World Food Board to function as permanent inter-governmental machinery for the distribution of food and agricultural commodities.

Dr. Barton submitted figures on the international food situation as disclosed at Copenhagen. The bread-grain deficit was then, 8,000,000 tons, while the potential shortage of rice was about 6,000,000 tons. Fats and oils were 15 per cent below prewar average and meat production dropped during the war to 70 per cent of prewar levels in Europe and 60 per cent in the United Kingdom. The supply of cheese in producing countries had increased but several factors handicapped distribution. Milk production was down in most countries. Dr. Barton concluded that the world farm production pattern was not normal nor was consumption. Assuming 25 per cent gain in population, large increases in world food production will be required by 1960 to reach even minimum nutritional goals. At present, indications are that farm production recovery may outdistance industrial production recovery.

The Chairman, A. M. Shaw, reviewed the present contracts with the United Kingdom. He pointed out that the first wartime contracts arose from the desire of the United Kingdom to deal with a single agency in procuring needed supplies in wartime and the early contracts were on a yearly basis. Now they are on a longer term basis, on the one hand to assure food for the British people, and on the other to fit in with Canada's agricultural stabilization program during the transition period from wartime to peace.

Government buying and selling under this contract system was now established between the two governments and this form of trading in agricultural products may continue. From the producers' standpoint, it appeared to hold advantages in that they can plan ahead on the basis of an assured minimum return. From the point of view of the British consumer, it gave some guarantee over a definite period that supplies would be forthcoming. The future of Canadian agriculture on the British market lies in living up to the present contracts.

The Chairman concluded by pointing out that farming was a small unit operation and widely scattered. Individually, it was difficult for the farm industry to assemble food products in volume and provide continuity of supply of standard quality. Bulk purchase of imports by the government would continue in the United Kingdom and some other countries for some time at least, and it was felt that a central authority in Canada could best deal with the government of another country.

The provisions of the various contracts are reviewed in the commodity reports on livestock and meats, dairy products, eggs and poultry, flax fibre, and in some of the miscellaneous reports.

J. G. Taggart, Chairman of the Agricultural Prices Support Board explained the provisions of the Agricultural Prices Support Act and mentioned that it already had been invoked to assist the potato growers in the Maritimes. He mentioned that the long-term contracts with Great Britain supplemented the Agricultural Prices Support Act to the extent that they provided a floor price under the various products contracted for, and in this way implemented the provisions of the Act.

G. S. Peart, Fertilizers and Pesticides Administrator, reviewed the fertilizers situation for the coming year and stated that the International Emergency Food Council had increased Canada's share of the 1947 world supply of fertilizers by about 10 per cent. Unfortunately as he warned, there was a difference between allocations and deliveries in view of the difficulties of transportation which exist at the present time. As regards nitrogen, Canada's position was satisfactory

since the Dominion produces seven or eight times as much commercial nitrogen as it needs for fertilizers. Canada exports more nitrogen than any other country with the exception of Chile and the United States and this surplus above her own needs gave Canada bargaining power in bidding elsewhere for supplies of other fertilizer ingredients. Potash imported into Canada from Germany would cost fertilizer manufacturers here almost as much again as the Canadian price ceiling allows, and the United States, source of two-thirds of Canada's potash importations, has removed its ceiling with the possibility of price increases affecting Canada.

The United States is also Canada's chief source of phosphoric acid, imported in the form of phosphate rock and superphosphate, the prices of which have recently been increased substantially. In the domestic manufacture of phosphoric acid, British Columbia was now equipped to produce more than in previous years. Superphosphate production in Eastern Canada was expected to supply two-thirds of the requirements of the five Eastern Provinces.

J. M. Armstrong, Agricultural Engineer of the Dominion Department of Agriculture, reviewed the farm machinery situation in 1947 and stated that the Canadian Government had drawn up a program to make 11 per cent more farm implements available. This increase in output had been arranged by earmarking steel for Canadian manufacture into farm implements and by planning increased importations of heavy machines from the United States. Whether this increase could be made good remained a question, particularly as the Canadian manufacturer had not been getting a steady supply of raw material from steel mills while the increased prices in the United States might retard the delivery of American manufactured farm machinery onto the lower priced Canadian market.

J. G. Davidson, Feeds Administrator, reviewed the feed situation for the benefit of the delegates. A detailed report on high protein feeds and millfeeds appears later in this bulletin.

As the whole question of production of livestock products, dairy products, and eggs and poultry are dependent upon the necessary feed, the reports on Grain and Forage Crops, Livestock and Meats, Dairy Products, and Eggs and Poultry were discussed together. It was generally agreed by the Conference that Canadian agriculture could best be served by endeavouring to increase the production of livestock and dairy products and to maintain present production of eggs and poultry, and the discussion revolved itself mainly around the method which should be adopted to encourage farmers to produce the essential feed grains, and particularly, barley, necessary to implement this program. Under present conditions, however, with the return for wheat more favourable than that for barley, it did not seem sufficient merely to suggest an increase in barley acreage, which if an ample acreage in summerfallow was to be retained, could only be attained by a reduction in wheat acreage. So long as wheat could be grown more profitably than barley, no increase in production of the latter grain could be expected. It was the view of the Conference, therefore, that some inducement would be required to make returns for the two grains more nearly comparable, and it was felt by the delegates that this could be done most satisfactorily by paying an acreage bonus on all barley grown in Western Canada. If such a bonus was paid, it was agreed that the present 15 cents a bushel premium paid on western barley should be removed and that the payment of freight to the Eastern Provinces and British Columbia should be continued.

The question of the shortage of high protein feed was discussed, particularly in relation to the production of dairy products, and it was the opinion of the Conference that oil-cake provided the best home-grown feed for this purpose. If this feed was to be made available in any greater quantity than at present, however, it was the opinion of the delegates that this could only be done by increasing the return to the farmer for flax grown in the West.

On the final day of the Conference each provincial minister, or his representative, addressed the meeting and there was general agreement that an integrated agricultural program be developed for the whole of Canada, based broadly on greater production of feeding grains in the West to supply the needs of livestock producers throughout Canada, and particularly in the Eastern Provinces. It was not considered desirable that any large increase of feeding grain should be encouraged in Eastern Canada as this could only be done at the expense of other needed crops, or by decreasing the present acreage of hay, clover and alfalfa needed for dairying.

In his closing address Hon. James G. Gardiner, Dominion Minister of Agriculture, presented the following statement which was accepted by the Conference as representing the conclusions reached:—

"That an effort should be made to increase production of livestock and dairy products and to maintain present production of poultry and eggs; that if livestock production is to be increased and wheat made available for human consumption, barley acreage must be increased; that if a shortage of oats is to be maintained against possible short crop to assure feeding present livestock population through our long winters, oat acreage should be increased; that if barley and oat acreage is to be increased it can be most effectively brought about in Western Canada by reducing wheat acreage; that if that is the goal it can only be brought about, particularly in barley, by making the return from barley comparable with the return per acre from wheat; the Conference is of the opinion that the return on barley could be assured, and hence the increased acreage desired, by making an acreage payment to farmers producing barley in the Western Provinces; the Conference is of the opinion that if an acreage payment is made in the Western Provinces the 15 cent premium should be removed in the West and the payment of freight to Eastern Provinces and British Columbia continued; the Conference is of the opinion that with this increase in the production of barley provided for, provisions should be made to encourage greater production of hogs and milk, and particularly milk utilized for the production of butter and cheese; it was contended that to encourage livestock products, particularly dairy products, an increase in oil-cake supply is necessary. If this is to be accomplished there must be an increase in flaxseed production in the West. It is the opinion of the Conference this can only be brought about by increasing the return for flax".

NOTE.—As the conclusions reached at the Conference were based on the statistical material available at the time of the Conference, it has not been considered desirable to alter either tables or text to conform with revised data made available since the Conference was held.

GRAIN, FORAGE CROPS AND FEED.

The need for cereals in Europe is not so pressing as it was in 1945-46 and next year's harvests should bring supplies within a reasonable measure of meeting requirements. The present world price for wheat provides an incentive for all-out production which could soon overtake demand. Replenishment of livestock is a slower process and the deficiencies in animal proteins will continue for some years to come. There is a growing demand for livestock products in the United Kingdom and continental Europe as well as in Canada and the production program should be planned with this longer term point of view in mind.

At present there is not enough feed grain produced to provide for domestic needs and for all the livestock products Canada has undertaken to ship to Britain and at the same time to build up necessary reserves. There is only one place in Canada where acreage can be diverted quickly and feed grain produced in quantity and that is in the West, on land which might otherwise be sown to wheat.

The Conference agreed that wheat acreage could not be considered alone but rather that total available crop acreage should be so planned as to provide adequate quantities of wheat for export, for feed grains needed in the production of meats and dairy products, both for domestic needs and to meet as far as practicable the urgent requirements of Britain and other countries, and for more linseed flax to help meet the present world shortage of oils and fats.

Canada's average wheat acreage during the 1943-45 period was just under 21.2 million acres; the 1946 acreage recommended at the Production Conference held in December of 1945 was 23.4 million acres (the same as had been sown in 1945). With prices for wheat more attractive than those for coarse grains and flax, Canada's wheat acreage actually rose to 25.9 million acres in 1946, largely at the expense of acreage of other grains. Because of reductions in livestock numbers (and particularly in hog numbers), Canada has found it difficult to meet her commitments in bacon, cheese, and other livestock products and this difficulty will continue unless adequate supplies of feed grains can be assured.

To make maximum supplies of wheat available for human consumption, other grains must be produced for feeding to livestock in Canada; otherwise some of the wheat on farms (particularly in the Prairie Provinces) that might otherwise go into export may be diverted to the feeding of livestock and poultry.

The Conference agreed that if barley and oat acreage is to be increased it could be most effectively brought about in Western Canada by reducing wheat acreage and by making the return from barley comparable with the return per acre from wheat.

The Conference was of the opinion that the return on barley could be assured and hence the increased acreage realized by making an adequate acreage payment to farmers producing barley in the Western Provinces. The view of the Conference was that if Western growers were to receive an incentive to increase barley production by way of an acreage payment the 15 cent premium should be removed and the acreage payment could be coupled with a continuation of the freight assistance policy for the movement of grain to the Eastern Provinces and British Columbia.

Wheat.—Canada's wheat producing industry is founded largely on the basis of an extensive export trade but with demands decreasing for wheat after 1947 and increasing for livestock products, any proposed recommendations for the 1947 Canadian wheat acreage have been considered in the light of an appraisal of the world wheat and livestock situation for 1947-48. This appraisal in turn has been made largely on the basis of the anticipated disposition of the 1946-47 world wheat supplies. The total world wheat production is estimated by the Office of the Foreign Agricultural Relations of the United States Department of Agriculture to be 5.9 billion bushels, the largest since 1940. The carry-over stocks of old grain in the hands of the four major exporting countries at July 1.

1946, amounted to only 373 million bushels, the lowest level reached since 1938, to give a world supply totalling somewhat less than at the same time a year ago. From this it is evident that world needs prior to the 1947 harvest must be met from reduced supplies.

The requirements for wheat during the current season, probably will be somewhat less urgent than in 1945-46. They are expected to remain large however and to tax the available export supplies of surplus producing countries. As a result, it is felt that world carry-over stocks at the end of the 1946-47 season will remain at a low level. With the extent of the recovery of grain production in the world food-deficit areas open to conjecture and with depleted buffer stocks in prospect, it was thought that a lower wheat acreage than that asked for in 1946 should not be suggested. The Conference recommended that the wheat acreage for 1947 be set at 24 million acres. This figure is approximately 600,000 acres over the 1946 recommended objective and 1.9 million acres below the actual 1946 seeded acreage.

At this point it may be argued that the prospective demand for wheat merits a larger increase in the recommended Canadian wheat acreage in 1947. Weighing heavily against any such move, however, is the fact that increased feed supply is important and the further fact that good conservation and cultural practices in the Prairie Provinces still are based on a high proportion of summerfallow. Any substantial reduction in summerfallow might result in reduced production in the near future. In addition, certain bearish influences may also make themselves felt in 1947. Increased acreages, favourable weather and larger available supplies of fertilizer and machinery may result in a substantially greater production of bread grains in Europe and the Far East during the next season with a resultant decreased demand from those areas. Furthermore, the dissolution of UNRRA may be another important factor leading to a reduction in effective demand. Notwithstanding these important considerations, however, it is felt that any surplus which may arise from a favourable crop in Canada in 1947 can be effectively used to build up carry-over stocks which at July 31, 1946 dropped to their lowest level since 1938.

Initial prices to western Canadian wheat growers have been pegged at \$1.35 per bushel for No. 1 Northern, basis in store Fort William, Port Arthur or Vancouver. During the years 1946-47 and 1947-48 Great Britain will purchase minimum annual deliveries of 160 million bushels at a price of \$1.55 per bushel. In 1948-49 and 1949-50 the specified minimum is 140 million bushels with minimum prices of \$1.25 and \$1.00 respectively. In determining prices for these two crop years 1948-49 and 1949-50 the United Kingdom government will have regard to any difference between the prices paid under this agreement in the 1946-47 and 1947-48 crop years and the world prices for wheat in these years. There is considerable uncertainty in the international wheat outlook. The four year agreement with the United Kingdom provides a stabilizing factor for the Canadian wheat grower.

TABLE 1.—WHEAT ACREAGE AND RECOMMENDATIONS FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946	1947	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
Canada	25,595,400	21,182,667	23,414,100	25,900,000	24,000,000	93
Prince Edward Island.....	19,400	5,933	4,000	3,900	.....	.....
Nova Scotia.....	3,600	1,633	1,300	1,400	.....	.....
New Brunswick.....	13,700	2,867	2,400	1,800	.....	.....
Quebec.....	51,300	25,933	23,400	22,500	.....	.....
Ontario.....	744,300	685,200	711,000	584,000	.....	.....
Manitoba.....	2,880,000	2,092,600	2,132,000	2,835,000	.....	.....
Saskatchewan.....	13,973,800	12,144,000	13,610,000	14,843,000	.....	.....
Alberta.....	7,843,800	6,130,333	6,824,000	7,500,000	.....	.....
British Columbia.....	65,500	94,168	106,000	108,400	.....	.....

SUPPLY SITUATION

(Crop Year August 1 to July 31)

	Average 1935-39	Average 1943-45	1945-46	1946-47 Recom- mended	1947-48 Recom- mended
million bushels					
Stocks at beginning of year.....	101	403	258	70	60
Production.....	312	336	319	419	375
Imports.....					
Total supplies.....	413	739	577	489	435
Exports.....	181	342	340	289	225
Available for domestic use.....	232	397	237	200	210
Domestic utilization.....	114	169	167	140	150
Carry-over end of year.....	118	228	70	60	60

Oats.—Generally speaking, oat production is carried on for the benefit of the domestic market with only a small percentage of the total crop finding its way into export channels. Prices for western oats during the present crop year are subject to a floor price of 45 cents and a ceiling of $5\frac{1}{2}$ cents. In addition, all western oats marketed are eligible for an advance equalization payment of 10 cents per bushel. In view of probable feed grain requirements it has been decided to recommend that oat acreage for 1947 be increased to the 1946 recommended level of 14,310,200 acres.

TABLE 2.—OATS ACREAGE AND RECOMMENDATIONS FOR 1947

	Average 1935-39	Average 1943-45	1945	1946	1947	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
CANADA.....	13,246,500	14,705,033	14,393,200	13,162,700	14,310,200	109
Prince Edward Island.....	150,900	120,733	119,000	117,000		
Nova Scotia.....	92,000	68,333	68,200	67,200		
New Brunswick.....	215,400	203,600	202,000	186,000		
Quebec.....	1,677,700	1,676,333	1,654,000	1,466,500		
Ontario.....	2,304,700	1,565,000	1,522,000	1,635,000		
Manitoba.....	1,427,300	1,647,833	1,697,000	1,598,000		
Saskatchewan.....	4,464,200	5,946,433	5,717,000	5,055,000		
Alberta.....	2,803,700	3,400,868	3,335,000	2,957,000		
British Columbia.....	111,600	75,900	79,000	81,000		

SUPPLY SITUATION

(Crop Year August 1 to July 31)

	Average 1935-39	Average 1943-45	1945-46	1946-47 Recom- mended	1947-48 Recom- mended
million bushels					
Stocks at beginning of year.....	31	119	98	75	70
Production.....	338	454	382	399	424
Imports.....					
Total supplies.....	369	573	480	474	494
Exports.....	14	71	47	35	35
Available for domestic use.....	355	502	433	439	459
Domestic utilization.....	320	408	358	369	389
Carry-over end of year.....	35	94	75	70	70

Barley.—The crop year 1945-46 in Canada was characterized by an extremely tight barley supply situation. Despite an absolute embargo on the exports of the 1945 crop, supplies proved insufficient for domestic needs and by the end of the crop year they were almost impossible to procure. With small carry-over stocks at the end of the 1945-46 crop year and a none-too-large crop in 1946, total supplies for the current season vary little from those of a year ago. Nevertheless, urgent demands on the part of foreign maltsters, together with a desire to hold a place for Canadian malting barley on the export market have caused some relaxation of export restrictions this year, which may result in a total available domestic supply as restricted as it was during 1945-46. At the same time, the downward trend in hog numbers appears to be levelling out and if livestock recommendations for 1947 are realized, next year should see an expansion in Canada's hog population, an important consumer of domestic barley.

Prices for barley during the present crop year are subject to a floor price of 60 cents a bushel and a ceiling of $64\frac{3}{4}$ cents, basis in store at Fort William-Port Arthur. On top of that an advance equalization payment of 15 cents is paid plus a 5 cent premium on barley acceptable for malting purposes.

Considering the likelihood of small carry-over stocks at the end of the present crop year along with the prospects of domestic and foreign markets able to absorb substantially larger amounts of Canadian barley than are at present available, it is argued that Canadian acreages be increased from 6,730,500 acres in 1946 to 8,000,000 acres in 1947.

TABLE 3.—BARLEY ACREAGE AND RECOMMENDATIONS FOR 1947

	Average 1935-39	Average 1943-45	1945	1946	1947	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
Canada	4,291,400	7,679,200	7,350,100	6,730,500	8,000,000	119
Prince Edward Island.....	6,400	14,033	13,700	9,700	.....	.....
Nova Scotia.....	9,300	10,900	10,000	8,500	.....	.....
New Brunswick.....	14,200	16,100	13,300	11,200	.....	.....
Quebec.....	161,600	141,533	132,600	124,900	.....	.....
Ontario.....	532,800	305,000	305,000	293,000	.....	.....
Manitoba.....	1,327,200	2,201,000	2,139,000	1,833,000	.....	.....
Saskatchewan.....	1,195,600	2,895,500	2,672,000	2,484,000	.....	.....
Alberta.....	1,030,700	2,076,300	2,048,000	1,902,000	.....	.....
British Columbia.....	13,600	18,834	16,500	14,200	.....	.....

SUPPLY SITUATION

(Crop Year August 1 to July 31)

	Average 1935-39	Average 1943-45	1945-46	1946-47 Recom- mended	1947-48 Recom- mended
	million bushels				
Stocks at beginning of year.....	8	48	29	30	29
Production.....	89	189	158	160	192
Imports.....	.....	.....	.....	.....	.....
Total supplies.....	97	237	187	190	221
Exports.....	14	27	5	15	25
Available for domestic use.....	83	210	182	175	196
Domestic utilization.....	74	175	152	146	166
Carry-over end of year.....	9	35	30	29	30

Rye.—Since early in 1945, when the values of rye and wheat were approximately equal, the price of rye at November 15, 1946 had risen to \$2.65 per bushel. While this situation exists, production of rye is a profitable enterprise, but it is felt that any substantial increase in acreage and production may provide a supply in excess of demand and a consequent lowering of prices below their present profitable level. In addition, the United States, the major importer of Canada's exportable rye surplus, has recommended an increase in its 1947 rye acreage one-third above that of 1946. Should a bumper crop result, a lessened demand from that quarter could provide a further weakening in Canadian rye prices during the 1947-48 season. Therefore, it is suggested that rye acreage in 1947 be decreased and that it should be held at the 1946 recommended level of 487,100 acres.

TABLE 4.—RYE ACREAGE AND RECOMMENDATIONS FOR 1947

	Average 1935-39	Average 1943-45	1945	1946	1947	1947 of 1946
	ac. [*]	ac.	ac.	ac.	ac.	%
Canada	816,300	570,383	487,100	518,000	487,100	94
Quebec.....	6,500	10,100	8,400	7,700	.....	.....
Ontario.....	67,400	65,500	67,500	49,000	.....	.....
Manitoba.....	142,700	42,167	26,000	26,000	.....	.....
Saskatchewan.....	433,500	332,100	259,000	302,000	.....	.....
Alberta.....	161,500	119,283	125,000	132,000	.....	.....
British Columbia.....	4,700	1,233	1,200	1,300	.....	.....

SUPPLY SITUATION

(Crop Year August 1 to July 31)

	Average 1935-39	Average 1943-45	1945-46	1946-47 Recommended	1947-48 Recommended
000 bushels					
Stocks at beginning of year.....	2,236	7,629	2,024	714	500
Production.....	9,190	7,186	5,888	6,913	6,332
Imports.....	.....	.....	.....	.....	.....
Total supplies.....	11,426	14,815	7,912	7,627	6,832
Exports.....	2,613	5,531	3,038	3,027	2,735
Available for domestic use.....	8,813	9,284	4,874	4,600	4,097
Domestic utilization.....	6,139	6,506	4,160	4,100	3,597
Carry-over end of year.....	2,674	2,778	714	500	500

Mixed Grain.—Generally speaking, mixed grain is raised for feeding on farms where grown and very little finds its way into commercial channels. For 1947, it is recommended that acreage be restored to the 1945 level of 1,453,400 acres.

TABLE 5.—MIXED GRAINS ACREAGE AND RECOMMENDATIONS FOR 1947

	Average 1935-39	Average 1943-45	1945	1946	1947	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
CANADA	1,165,000	1,478,167	1,453,200	1,399,300	1,453,400	104
Prince Edward Island.....	29,700	53,800	54,200	51,400	.....	.....
Nova Scotia.....	6,200	8,233	5,700	4,100	.....	.....
New Brunswick.....	3,600	12,567	11,900	9,900	.....	.....
Quebec.....	139,200	271,767	257,800	251,400	.....	.....
Ontario.....	914,500	940,667	943,000	946,000	.....	.....
Manitoba.....	22,700	41,467	41,700	29,000	.....	.....
Saskatchewan.....	25,200	80,900	71,000	59,900	.....	.....
Alta.....	20,400	64,600	62,600	39,700	.....	.....
British Columbia.....	4,400	6,167	5,300	7,900	.....	.....

TABLE 5.—MIXED GRAIN ACREAGE AND RECOMMENDATIONS FOR 1947—*Concluded*
 SUPPLY SITUATION
 (Crop Year August 1 to July 31)

—	Average 1935-39	Average 1943-45	1945-46	1946-47 Preliminary	1947-48 Estimated
000 bushels					
Production.....	38,507	46,671	46,927	54,924	49,416

Summerfallow.—In keeping with the Conference recommendations with respect to wheat and coarse grain acreage, the area to be retained in summerfallow is set at 18,811,100 acres.

TABLE 6.—SUMMERFALLOW ACREAGE IN THE PRAIRIE PROVINCES AND RECOMMENDATIONS FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946	1947	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
Manitoba.....	1,978,600	2,321,667	2,452,000	2,016,000	.....	.....
Saskatchewan.....	9,115,820	11,757,000	11,692,000	11,271,000	.....	.....
Alta.....	4,588,020	6,014,233	5,715,000	5,619,000	.....	.....
Prairie Provinces.....	15,682,440	20,092,900	19,859,000	18,906,000	18,811,100	99

Hay and Clover.—It is not recommended that there be any appreciable change in the 1947 acreage seeded to grass and clover from 1946 except in so far as those acreages may give way to the seeding of alfalfa.

TABLE 7.—HAY AND CLOVER ACREAGES AND RECOMMENDATIONS FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946	1947	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
CANADA.....	8,766,400	10,051,567	10,219,400	10,223,000	10,223,000	100
Prince Edward Island.....	225,800	217,300	218,000	232,000	.....	.....
Nova Scotia.....	402,100	423,233	438,000	428,000	.....	.....
New Brunswick.....	569,100	649,000	656,000	646,000	.....	.....
Quebec.....	3,595,400	4,153,800	4,207,400	4,182,000	.....	.....
Ontario.....	2,798,000	2,932,900	3,008,000	2,952,000	.....	.....
Manitoba.....	445,100	430,000	419,000	532,000	.....	.....
Sask.....	221,600	338,567	350,000	362,000	.....	.....
Alta.....	355,400	684,167	692,000	662,000	.....	.....
British Columbia.....	153,900	222,600	231,000	227,000	.....	.....

SUPPLY SITUATION
 (Crop Year August 1 to July 31)

—	Average 1935-39	Average 1943-45	1945-46	1946-47 Preliminary	1947-48 Estimated
000 tons					
Production.....	13,615	16,688	17,724	14,697	15,335

Alfalfa.—Increased acreages of alfalfa in the areas to which this crop is well adapted are usually desirable. Because of its high feeding value, and its perennial characteristics, alfalfa might advantageously replace desirable forage crops in some locations.

TABLE 8.—ALFALFA ACREAGE AND RECOMMENDATIONS FOR 1947

	Average 1935-39	Average 1943-45	1945	1946	1947	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
CANADA	854,300	1,550,567	1,587,000	1,540,400	1,540,400	100
Quebec.....	14,700	71,133	72,000	68,900	.....	.....
Ontario.....	641,600	792,667	795,000	708,000	.....	.....
Manitoba.....	41,100	250,000	283,000	300,000	.....	.....
Saskatchewan.....	22,100	113,500	87,800	103,400	.....	.....
Alberta.....	84,400	249,967	274,700	281,000	.....	.....
British Columbia.....	50,400	73,000	72,500	79,100	.....	.....

SUPPLY SITUATION

(Crop Year August 1 to July 31)

	Average 1935-39	Average 1943-45	1945-46	1946-47 Preliminary	1947-48 Estimated
	000 tons				
Production.....	2,052	3,814	3,880	3,203	3,697

High Protein Feeds.—Any attempt to appraise the outlook for high protein feeds during 1947 is limited by many controlling factors which are not apparent at this time. Despite these limitations, however, certain general developments have occurred which may serve as guideposts in arriving at prospective supply and demand during the coming year.

From 1943 until the beginning of the present year high protein feeds have been periodically in short supply. This year, however, demand has consistently outstripped supply, particularly in the case of animal proteins. At first this might seem strange considering that livestock population has been declining and the production of protein feeds had been gradually increasing over the period of the past four years. A fairly satisfactory explanation seems to rest on the theory that those who consistently feed substantial quantities of protein supplements are not the ones who have recently reduced their herds and flocks. Other feeders through experimentation may have been convinced of the profitability of including supplementary proteins in their livestock rations and expanded this practice. Whatever the explanation, the fact remains that in 1946 the protein feed situation, with an estimated production of approximately 340,000 tons, was more stringent than it had been for several seasons.

Turning to 1947 it appears at this time that the situation as it existed in 1946 is likely to continue during the larger part of the coming year.

While the estimated reduction in cattle numbers in 1947 may reduce requirements for vegetable protein, it is expected that the demand will remain at fairly high levels due to the relatively constant numbers of dairy cattle which are

heavy consumers of high protein supplements. The decline in hog numbers which has been taking place during the past four years appears to be levelling out. If recommendations for 1947 are realized, next year should see an expansion in Canada's hog population which consumes a large share of available animal proteins. The overall poultry population, another heavy consumer of animal proteins, is not expected to vary significantly in 1947 from 1946. If the foregoing observations prove correct, it may be concluded that requirements for high protein feeds in 1947 will remain keen and will probably continue to exceed available supplies.

Current indications suggest no significant change in total available vegetable proteins for the coming year. Production of linseed cake and meal along with brewers' and distillers' dried grains may be down in 1947. While the 1946 production of flaxseed is larger, carry-over stocks at July 31, 1946, were substantially lower, giving an overall supply of 9.3 million bushels as against 10.5 million in 1945. Apart from requirements for seed, imports are negligible and crushers may therefore expect to process less flaxseed during the next 12 months. Production of all oilseed crops in Canada in 1947 is open to conjecture and in addition any protein feeds from this source will not be available until late in the year. Restrictions on the use of wheat for alcohol production are responsible for the estimated reduced production of brewers' and distillers' protein by-products.

Soybean production in Canada reached the million bushel mark, about 200,000 bushels above the 1945 level. Nevertheless domestic crushers depend also on substantial imports of beans from the United States. With smaller prospective high protein feed supplies in the United States, together with a smaller soybean crop in 1946 as against 1945, total soybean imports from that country may be reduced to such a point that any gain accruing from increased Canadian production will be offset.

Oilcake and meal supplies from sunflower seed and rapeseed may display a relatively marked expansion, as there was a substantial increase of those crops in 1946. Nevertheless their contribution to the overall supply is not expected to be large. With copra sources being reopened after being cut off during the war years some increase in production of copra cake and meal may be possible in 1947. As in the case of sunflower and rapeseed meal, production of copra meal in Canada has not been significant in recent years.

Gluten feed, a by-product of the corn starch industry and an important contributor to Canada's protein supplies may be further increased owing to the possibility of larger imports from the United States and to recently renewed corn imports from Argentina. Alfalfa meal production is expected to remain at or slightly above its present level.

From the standpoint of protein supplements of animal derivation it appears that the situation will not ease in 1947. Fishmeal production is expected to remain far below requirements due largely to the disappointing catch on the Pacific Coast during the 1946 season.

Imports of protein feeds are negligible and contribute very little to total available supplies in Canada. Exports from this country are subject to export control, and at present no permits are being issued.

If the present situation continues supplies of high protein feeds available to Canadian livestock feeders will be in short supply during most of 1947.

TABLE 9.—HIGH PROTEIN FEED SUPPLIES

	1943	1944	1945	1946 Preliminary
	tons	tons	tons	tons
Linseed oilcake and meal.....	69,000	79,997	86,512	80,000
Soybean oilcake and meal.....	21,500	25,992	24,194	45,000
Cottonseed oilcake and meal.....	4,750	3,915	.....	1,800
Sunflower oilcake and meal.....	.....	382	171	.....
Rapeseed oilcake and meal.....	.....	190	2,133	1,500
Palm kernel.....	.....	.....	2,899	.....
Copra meal.....	3,500	4,679	7,043	8,000
Peanut cake and meal.....	.....	2,289	11,615	15,000
Gluten Feed.....	90,500	35,000	33,000	33,000
Malt Sprouts.....	.....	5,000	6,500	6,000
Brewers' and Distillers' dried grains.....	.....	45,500	45,000	40,000
Alfalfa meal.....	20,000	15,000	30,000	33,000
Total Vegetable Protein.....	209,250	217,944	249,067	263,300
Fishmeal.....	27,000	21,628	27,058	23,000
Tankage, blood meal, meat scrap.....	48,800	62,240	40,638	52,461
Milk, buttermilk and whey powder.....	4,867	6,043	3,500	3,500
Total Animal Protein.....	80,667	89,909	71,196	78,961
Total Protein Supplies.....	289,917	307,853	320,263	342,261

Millfeeds.—During the 1945-46 season the production of millfeeds broke all previous records with an outturn of slightly more than 880,000 tons. Despite this record outturn the demand by the Canadian feeder for these flour milling by-products continue to exceed available supplies. To assure that the greater share of these feeds was made available to the Canadian farmer, exports were restricted by permit and only extremely small amounts found their way into export channels. During 1945-46, 95 per cent of the total supply of 893,000 tons was consumed domestically and 4 per cent exported. During the five-year period (1935-39) only 67 per cent of the average annual supply of 559,693 tons was consumed in Canada with 31 per cent being exported.

Present prospects indicate that the flour milling industry will operate to capacity during the greater part of the 1946-47 season and produce a quantity of millfeeds approximately equal to that of 1945-46. The demand is expected to remain equally large with hogs and dairy cattle consuming the bulk of the outturn.

TABLE 10.—MILLFEEDS—BRAN, SHORTS AND MIDLINGS

(Crop Year August 1-July 31)

	Average 1935-39	1943-44	1944-45	1945-46 Preliminary	1946-47 Estimated
	tons	tons	tons	tons	tons
Stocks, beginning of year.....	12,877	14,763	9,648	9,761	13,323
Production.....	545,122	797,083	814,272	881,844	880,000
Imports.....	1,694	1,162	1,300	1,394	1,300
Total supply.....	559,693	813,008	825,220	892,999	894,623
Exports.....	171,772	36,034	41,685	32,169	30,000
Available for Domestic utilization.....	375,801	767,326	773,774	847,407	852,623
Stocks, end of year.....	12,120	9,648	9,761	13,323	12,000

LIVESTOCK AND MEATS

The net output of meat in Canada in 1946 showed a decline of 12 per cent from the output of the previous year, and a decline of 25 per cent from the record output of 1944. The total supply for 1946, including both inspected and an estimate of non-inspected slaughter, and allowing for changes in storage stocks, was slightly less than 2.1 billion pounds. Of this total, 1.5 billion pounds was handled through inspected plants. Inspected slaughterings of hogs showed a decrease of 26 per cent, whereas inspected slaughterings of all other livestock remained close to the 1945 level.

Export shipments of meats in 1946 declined 29 per cent as compared with the previous year, but still remained high in comparison with pre-war years. Exports of mutton and lamb remained approximately the same, whereas beef exports declined 21 per cent and pork exports declined 35 per cent. Practically all the carcass meats were exported to the United Kingdom while most of the canned meats were supplied to European countries. The remainder of inspected slaughter plus the non-inspected slaughter, including farm kill, a total of 1.5 billion pounds, was available for domestic consumption.

Dependent upon the attainment of the recommended increase in hog slaughterings of 20 per cent, the total meat production for 1947 would be in the neighbourhood of 2.16 billion pounds, a 4 per cent increase over 1946.

The estimate of domestic meat requirements allows for an approximate 4 pounds per capita increase over 1946 in meat consumption. It assumes pork consumption at a level approximately 2 pounds per capita higher than in 1946.

TABLE 11.—ALL MEATS: SUPPLIES AND DISTRIBUTION, 1946

	Pork	Beef	Veal	Mutton and Lamb	Total meats
000 pounds					
Production (a)—					
From inspected slaughter.....	539,006	796,467	85,117	52,380	1,472,970
From non-inspected slaughter.....	251,100	264,000	56,248	17,168	588,516
Total output.....	790,106	1,060,467	141,365	69,548	2,061,486
Total Supply (b).....	790,579	1,064,622	142,540	71,367	2,069,108
For Export—					
U.K.....	283,576	170,000	.....	11,000	464,576
Canned (c).....		53,100	77	800	53,977
Other exports.....	11,924	7,800	.....	2,200	21,924
Total exports.....	295,500	230,900	77	14,000	540,477
For Domestic Use—					
Civilian inspected.....	240,679	564,322	85,465	38,399	928,865
Civilian non-inspected.....	251,100	264,000	56,248	17,168	588,516
Non-civilian inspected.....	3,300	5,400	750	1,800	11,250
Total domestic.....	495,079	833,722	142,463	57,367	1,528,631

(a) Chilled carcass basis, not including lard, tallow, or offals.

(b) Adjustment made for imports and storage stocks.

(c) Converted to carcass basis.

TABLE 12.—ALL MEATS: PRELIMINARY ESTIMATED SUPPLIES AND DISPOSITION
BASED ON RECOMMENDATIONS AND ESTIMATED PRODUCTION, 1947 (c)

	Pork	Beef	Veal	Mutton and Lamb	Total Meats
000 pounds					
Production (a)—					
From inspected slaughter.....	634,304	796,467	85,117	48,015	1,563,903
From non-inspected slaughter.....	251,100	264,000	56,248	17,168	588,516
Total output.....	885,404	1,060,467	141,365	65,183	2,152,419
Total Supply (b).....	885,404	1,060,467	141,365	65,183	2,152,419
Domestic Requirements—					
Civilian inspected.....	269,304	578,467	85,117	43,015	975,903
Civilian non-inspected.....	251,100	264,000	56,248	17,168	588,516
Total domestic.....	520,404	842,467	141,365	60,183	1,564,419
Available for export.....	365,000	218,000	.....	5,000	588,000

(a) Preliminary recommendations of production, chilled carcass basis excluding lard, tallow and offals.

(b) No adjustment made for imports and storage stocks.

(c) Provided recommendation for hogs and estimates for other livestock attained.

Hogs.—A further decline in inspected slaughterings of hogs occurred in 1946 to a level 26 per cent below that of 1945. Inspected establishments had an output of 539 million pounds of pork products and 40 million pounds of lard. The output from non-inspected sources was estimated to be 251 million pounds of pork products, while the total supply, allowing for changes in storage stocks, amounted to 790 million pounds.

Exports of pork products amounted to 295 million pounds, of which 284 million pounds were shipped to the United Kingdom. The domestic market received 495 million pounds, of which approximately 3 million pounds were allocated to priority users.

Present indications are that total inspected slaughter for 1947 will approximate 1946 slaughterings. An objective of 5 million hogs has been recommended for 1947. However, if inspected slaughterings do not exceed 1946 levels, bacon exports to the United Kingdom will amount to only 200 to 275 million pounds for the year, depending on whether or not the domestic market is allowed all the pork products it will absorb.

Recent surveys suggest that hog marketings will increase in the second half of 1947. One of the factors favourable to an increase in hog production is the ratio of the price of hogs to the price of feed which, since September 1946, has been higher than at any time since 1943. The bacon price of \$25.00 per 100 pounds, A Grade bacon, f.o.b. Canadian seaboard, provided for in the 1947 Agreement with the United Kingdom is higher than the price in any year during the war. Preliminary negotiations with the United Kingdom assure a market in 1948 for 400 million pounds of bacon at a price not less than \$22.50 per 100 pounds, A Grade bacon, f.o.b. Canadian seaboard, final price to be reviewed at a future date.

Hog producers have the assurance of a ready market at favourable prices during 1947 for at least 5 million hogs. It is felt that it is to the advantage of producers to attain this recommended production during the year 1947.

TABLE 13.—HOGS: MARKETINGS BY PROVINCE OF ORIGIN WITH RECOMMENDATIONS FOR 1947

	Average 1935-39	Average 1943-45	1945	1946 Preliminary	1947 Recom- mended	1947 of 1946
	No.	No.	No.	No.	No.	%
Canada.....	3,538,537	7,291,224	5,861,073	4,350,000	5,175,000	119
British Columbia.....	217	37,778	36,276	24,000	.....	.....
Alberta.....	948,436	2,440,146	1,946,114	1,237,000	.....	.....
Saskatchewan.....	421,916	1,428,688	942,916	492,000	.....	.....
Manitoba.....	262,535	697,923	486,630	325,000	.....	.....
Ontario.....	1,566,563	1,981,543	1,806,668	1,719,000	.....	.....
Quebec.....	272,753	587,194	535,265	467,000	.....	.....
New Brunswick.....	20,161	38,456	33,776	26,000	.....	.....
Nova Scotia.....	4,838	16,488	13,205	5,000	.....	.....
Prince Edward Island.....	41,118	63,047	60,341	55,000	.....	.....

TABLE 14.—PORK PRODUCTS: PRODUCTION FROM INSPECTED SLAUGHTERINGS SUPPLIES AND DISTRIBUTION

(Carcass Basis)

	Unit	Average 1935-39	Average 1943-45	1945	1946 Prelimi- nary	1947 Recom- mended
Inspected slaughterings.....	000 hd.	3,381	7,188	5,666	4,175	5,000
Average carcass weight (a).....	lb.	149	166	162	164	164
Total carcass weight (b).....	000 lb.	488,508	1,156,422	890,361	664,159	795,400
Production—						
Bacon and pork.....	000 lb.	383,760	930,513	713,387	539,006	634,304
Lard.....	000 lb.	49,548	90,245	61,103	40,000	48,000
Total Available Supply (c)—						
Bacon and pork.....	000 lb.	387,802	939,134	729,313	539,479	634,304
Lard.....	000 lb.	49,326	90,878	65,109	40,366	48,000
For Domestic Use (d)—						
Bacon and pork.....	000 lb.	208,173	322,392	272,068	243,979	269,304
Lard.....	000 lb.	29,841	74,665	49,515	40,366	48,000
Available for Export—						
Bacon and pork.....	000 lb.	179,629	616,742	457,244	295,500	365,000
Lard.....	000 lb.	19,485	12,051	3,110	400	.....

(a) Warm dressed basis including head, feet, leaf lard, kidney and kidney fats.

(b) Chilled basis (97 per cent of warm dressed weight).

(c) Adjustment made for imports and storage stocks.

(d) Includes both civilian and priority users.

Cattle.—Inspected slaughterings of cattle in 1946 were 1.7 million head which represented a 5 per cent reduction from the all-time high in 1945. The average dressed weight of inspected slaughterings declined 3 pounds, but was still 20 pounds heavier than in the pre-war years. The total supply of beef, adjusted for storage stocks, amounted to approximately 801 million pounds from inspected slaughterings and an estimated 264 million from non-inspected sources, a total of 1,065 million.

Total exports in 1946 of fresh frozen, and canned beef amounted to 231 million pounds, carcass basis, which represents a live cattle equivalent of approximately 478 thousand head. Of the total exports of beef 170 million pounds of fresh frozen meat were sent to the United Kingdom and 53 million pounds in

canned form were purchased mainly by European countries. Inspected production other than exports provided 5 million pounds for priority users and 564 million pounds for civilian domestic use. A further estimated 264 million pounds from non-inspected sources was available for civilian consumption.

Inspected slaughterings of 1.7 million head in 1947, based on the average dressed weight for 1946 would provide 805 million pounds of carcass beef. It is estimated that about 219 million pounds of this amount would be available for export.

The 1947 agreement with the United Kingdom calls for a minimum of 120 million pounds of carcass beef, and allows for any quantity in excess of this amount, at prices, according to the grade, ranging from \$19.20 to \$24.25 per 100 pounds frozen weight f.o.b. Canadian seaboard. Preliminary negotiations with the United Kingdom assure a market in 1948 for up to 120 million pounds of carcass beef at prices not less than those in effect prior to August 19, 1946, namely a range, according to grade, of from \$18.70 to \$22.75 per 100 pounds frozen weight f.o.b. Canadian seaboard.

There was a reduction in the number of cattle on farms in 1946 but they remained at a high level in comparison with pre-war years. In view of this fact, it is recommended that producers take advantage of the satisfactory prices now prevailing, and the assured outlet for 1947, to bring about further liquidation of the lower grades of cattle still on hand during the coming year.

TABLE 15.—CATTLE (a): MARKETINGS BY PROVINCE OF ORIGIN WITH ESTIMATE FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946 Preliminary	1947 Estimated	1947 of 1946
	No.	No.	No.	No.	No.	%
Canada	1,031,949	1,400,281	1,785,319	1,720,000	1,720,000	100
British Columbia.....	2,952	48,488	56,275	55,000	.....	.....
Alberta.....	246,861	356,353	475,566	459,000	.....	.....
Saskatchewan.....	205,923	320,187	425,803	430,000	.....	.....
Manitoba.....	121,072	153,826	188,752	214,000	.....	.....
Ontario.....	407,764	441,063	539,288	476,000	.....	.....
Quebec.....	40,624	63,075	84,350	70,000	.....	.....
New Brunswick.....	2,572	4,164	6,114	9,000	.....	.....
Nova Scotia.....	954	1,948	2,590	2,000	.....	.....
Prince Edward Island.....	3,277	5,177	6,581	5,000	.....	.....

(a) Commercial marketings less stockers and feeders, stock cows and heifers, milkers and springers and direct exports of dairy cattle.

TABLE 16.—BEEF: PRODUCTION FROM INSPECTED SLAUGHTERINGS, SUPPLIES AND DISTRIBUTION

(Carcass Basis)

—	Unit	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estima- ted
Inspected slaughterings.....	000 hd.	861	1,380	1,790	1,700	1,700
Average carcass weight (a).....	lb.	463	497	486	483	483
Total carcass weight (b)	000 lb.	385,888	665,025	843,692	796,467	796,467
Total available supply (c).....	000 lb.	384,689	662,133	837,242	800,622	796,467
For domestic use (d).....	000 lb.	373,789	505,942	544,918	569,722	578,467
Available for export.....	000 lb.	10,900	156,191	292,324	230,900	218,000

(a) Warm dressed basis not including hide, head, tail, feet, kidneys and kidney fats.

(b) Chilled basis (97 per cent of warm dressed weight).

(c) Adjustment made for imports and storage stocks.

(d) Includes both civilian and priority users.

Veal Calves.—The 1946 inspected slaughterings of veal calves amounted to 750 thousand head which is a reduction of 20 thousand head from 1945. The total supply of veal, adjusted for storage stocks, was 142 million pounds, which, with the exception of 827 thousand pounds exported and used by priority users, was available for civilian domestic consumption.

The 1947 inspected slaughterings are estimated to be the same as 1946, namely 750 thousand head.

TABLE 17.—CALVES: MARKETINGS BY PROVINCE OF ORIGIN WITH ESTIMATE FOR 1947

	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estimate	1947 f 1946
	No.	No.	No.	No.	No.	%
CANADA	739,629	724,754	829,674	770,000	770,000	100
British Columbia.....	268	5,874	5,883	4,000	.....	.....
Alberta.....	113,102	93,771	118,923	92,000	.....	.....
Saskatchewan.....	93,784	85,599	111,194	99,000	.....	.....
Manitoba.....	95,889	86,015	94,201	89,000	.....	.....
Ontario.....	284,709	238,030	262,586	232,000	.....	.....
Quebec.....	136,589	195,927	215,671	223,000	.....	.....
New Brunswick.....	10,392	13,479	14,096	20,000	.....	.....
Nova Scotia.....	1,860	1,333	1,449	3,000	.....	.....
Prince Edward Island.....	3,056	4,726	5,671	8,000	.....	.....

TABLE 18.—VEAL: PRODUCTION FROM INSPECTED SLAUGHTERINGS, SUPPLIES AND DISTRIBUTION

(Carcass Basis)

	Unit	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estimated
Inspected slaughterings.....	000 hd.	641	671	775	750	750
Average carcass weight(a)....	lb.	108	122	122	117	117
Total carcass weight(b)....	000 lb.	66,901	79,564	91,700	85,117	85,117
Total available supply(c)....	000 lb.	66,568	78,609	91,658	86,292	85,117
For domestic use(d).....	000 lb.	66,568	78,579	91,569	86,215	85,117
Available for export.....	000 lb.	.....	30	89	77	.....

(a) Warm dressed basis, not including skin and head but including kidney fats.

(b) Chilled basis (97 per cent of warm dressed weight).

(c) Adjustment made for imports and storage stocks.

(d) Includes both civilian and priority users.

Sheep and Lambs.—The 1946 inspected slaughterings of sheep and lambs totalled 1.2 million head. The total mutton and lamb supply from inspected and non-inspected sources, adjusted for storage stocks, amounted to 71 million pounds. Exports were 14 million pounds; 2 million pounds were allocated to non-civilian priority users, leaving 55 million pounds for civilian domestic consumption.

The number of sheep on farms has declined since 1944 and in line with this reduction the estimate for 1947 of inspected slaughterings of sheep and lambs is placed at 1.1 million head.

It is estimated that approximately 5 million pounds of mutton and lamb will be available for export. The United Kingdom, however, is prepared to take all the exportable surplus for the year 1947.

TABLE 19.—SHEEP AND LAMBS: MARKETINGS BY PROVINCE OF ORIGIN WITH ESTIMATE FOR 1947

—	Average 1935-39	Average 1943-45	1945(a)	1946 Prelim- inary(a)	1947 Estimated	1947 of 1946
	No.	No.	No.	No.	No.	%
CANADA.....	788,028	1,052,416	1,254,010	1,275,000	1,175,000	92
British Columbia.....	2,245	41,902	40,716	37,000	.....	.....
Alberta.....	223,070	280,577	328,954	322,000	.....	.....
Saskatchewan.....	82,336	113,952	161,175	167,000	.....	.....
Manitoba.....	86,376	120,975	142,451	148,000	.....	.....
Ontario.....	248,520	268,126	315,824	326,000	.....	.....
Quebec.....	128,292	183,588	225,419	230,000	.....	.....
New Brunswick.....	7,184	8,922	13,851	21,000	.....	.....
Nova Scotia.....	1,172	3,020	12,070	10,000	.....	.....
Prince Edward Island.....	8,832	11,354	13,550	14,000	.....	.....

(a) Figures for 1945 and 1946 include rail gradings.

TABLE 20.—MUTTON AND LAMB: PRODUCTION FROM INSPECTED SLAUGHTERINGS, SUPPLIES AND DISTRIBUTION

—	Unit	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estimated
Inspected slaughterings.....	000 hd.	817	1,007	1,180	1,200	1,100
Average carcass weight(a).....	lb.	42	44	45	45	45
Total carcass weight(b).....	000 lb.	33,121	43,183	51,513	52,380	48,015
Total available supply(c).....	000 lb.	33,768	42,271	50,612	54,199	48,015
For domestic use(d).....	000 lb.	33,520	36,556	36,357	40,199	43,015
For export.....	000 lb.	248	5,715	14,255	14,000	5,000

(a) Warm dressed basis not including head and skin but including kidney fats.

(b) Chilled basis (97 per cent of warm dressed weight).

(c) Adjustment made for imports and storage stocks.

(d) Includes both civilian and priority users.

Wool.—The 1946 wool clip produced 13.7 million pounds of shorn wool, a decrease of 0.8 million pounds from the 1945 clip. It is expected that the downward trend in the number of sheep on farms will continue into 1947, and that a further reduction in wool production is to be expected. It is estimated that 13.0 million pounds of wool will be produced in 1947, which is a 5 per cent reduction from 1946.

TABLE 21.—WOOL: PRODUCTION, SUPPLY AND DISTRIBUTION

—	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary
000 pounds				
Production.....	12,243	14,523	14,513	13,711
Imports.....	52,822	72,186	59,506	84,500
Total supplies.....	65,065	86,709	74,019	98,211
Exports.....	6,580	9,921	11,927	17,000
Available for domestic use.....	58,485	76,788	62,092	91,211

TABLE 22.—PRODUCTION OF SHORN WOOL IN CANADA WITH ESTIMATES FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estimated	1947 of 1946
000 pounds						
CANADA	12,243	14,523	14,513	13,711	13,000	95
Prince Edward Island.....	177	212	213	195	.....	.....
Nova Scotia.....	443	511	482	508	.....	.....
New Brunswick.....	356	351	344	329	.....	.....
Quebec.....	1,856	1,983	2,001	1,777	.....	.....
Ontario.....	3,230	2,905	2,815	2,713	.....	.....
Manitoba.....	837	1,137	1,043	783	.....	.....
Saskatchewan.....	1,416	2,274	2,361	2,420	.....	.....
Alberta.....	3,377	4,557	4,668	4,448	.....	.....
British Columbia.....	550	593	586	538	.....	.....

Horses.—The number of horses on farms in Canada as at June 1, has declined steadily since 1942. In 1946 the horse population was 93 per cent of the previous year showing decreases of 67 thousand mares, 47 thousand geldings and 72 thousand colts and fillies.

In previous years the United States has been the principal market for horses exported from Canada. However, in the first nine months of 1946 approximate exports to Poland were 15 thousand head and to France 6 thousand head, whereas exports to the United States amounted to 10 thousand head.

Two horse meat packing plants located at Edmonton and Swift Current started producing meat for human consumption in 1945. The contracts now in effect are with Belgium for 6 thousand tons of pickled meat and with UNNRA for 7 thousand tons of canned meat, which will require approximately 65 thousand horses. Other contracts are in prospect.

Slaughterings amounted to about 2 thousand horses in 1945 and 33 thousand in the first ten months of 1946.

The removal of these horses will conserve the grasslands of the Prairie Provinces for cattle and sheep production. The elimination of the surplus should improve the market for well broken farm horses.

TABLE 23.—NUMBER OF HORSES ON FARMS AT JUNE 1 IN CANADA BY CLASS

—	Average 1935-39	Average 1943-45	1945	1946
000 head				
Stallions, 2 years old and over.....	21	21	20	18
Mares, 2 years old and over.....	1,287	1,224	1,205	1,138
Geldings, 2 years old and over.....	1,145	1,145	1,119	1,072
Colts and fillies under 2 years.....	380	308	241	169
Total.....	2,833	2,698	2,585	2,397

TABLE 24.—TOTAL HORSES ON FARMS BY PROVINCES, JUNE 1

	Average 1935-39	Average 1943-45	1945	1946	1946 as % 1945
CANADA.....	2,832,740	2,722,073	2,584,800	2,396,850	93
British Columbia.....	57,420	61,333	60,200	56,900	95
Alberta.....	665,260	598,533	564,200	501,000	89
Saskatchewan.....	852,060	808,900	782,800	707,800	90
Manitoba.....	305,180	296,160	264,200	242,000	92
Ontario.....	546,560	518,020	491,300	467,000	95
Quebec.....	295,340	329,367	314,100	317,500	101
New Brunswick.....	45,420	46,800	46,200	44,700	97
Nova Scotia.....	37,160	35,600	35,300	34,500	98
Prince Edward Island.....	28,340	27,360	26,500	25,450	96

TABLE 25.—EXPORTS OF HORSES FROM CANADA, 1935-46

Period	Number of Head
1935-39 Average.....	9,448
1943-45 Average.....	19,651
1945.....	19,059
1946.....	33,723 (9 months)

DAIRY PRODUCTS

Production of milk in Canada in 1946 decreased about 4 per cent from the peak years of 1943-45 and totalled slightly more than 16.9 billion pounds. The decline in production from 1945 was general in all parts of Canada but was most marked in Ontario. Fluid milk sales increased substantially during the first nine months of 1946. The decrease in the overall production of milk together with the diversion of milk to the fluid trade had a serious effect on creamery butter and cheddar cheese production during the year. Dairy production and milk consumed on the farm and fed to livestock were slightly higher in 1946 than in 1945. Milk available for concentrating purposes in 1946 was slightly less than the year previous.

During the year several changes occurred in government policy which had an effect on the whole dairy industry in Canada.

Early in the year the ceiling price on creamery butter was increased by 4 cents a pound and this resulted in some shift from cheese to butter in parts of Canada where combined factories were in operation.

In May 1946, the Dominion Government announced that the consumer subsidy of 2 cents per quart on fluid milk would be discontinued after May 31, 1946, and the producer subsidy of 35 or 55 cents per 100 pounds would not be paid after September 30. At the same time it was also announced that the control of retail fluid milk prices was being returned to the Provincial Control Agencies on June 1. These changes, in effect, meant that the consumer price increased 2 cents per quart in June and another $1\frac{1}{2}$ to 3 cents in October. Most provincial boards allowed an increase in returns to producers in October over and above the producer subsidy to compensate for increased production costs. While the 2 cent per quart increase in June did not appreciably check the upward trend of sales, the price increase in October did have an effect on the trend of fluid sales.

During 1946 the Dairy Products Board requisitioned for export, cheese manufactured in Ontario and Quebec from June 1 to October 12.

The producers' subsidy on milk used for concentration purposes was also discontinued at the end of September, 1946, but corresponding increases were allowed in the ceiling prices of the various concentrated milk products.

Creamery Butter.—Production of creamery butter in 1946 totalled 270 million pounds, a decrease of 8 per cent from 1945, while dairy butter production was estimated at 55 million pounds. This production of 325 million pounds was not sufficient to maintain a 6-ounce ration in 1946 and may not provide sufficient stocks at the year end to meet a 6-ounce ration in the first 4 months of 1947. Dairy butter production has become relatively stabilized at approximately 55 million pounds which means that creamery butter production would have to total 295 million pounds in 1947 if the 6-ounce ration is to be maintained from domestic production.

On the basis of a per capita consumption of 32 pounds per annum (1940-42 average) it has been estimated that the butter requirements in Canada would total 345 million pounds of creamery and 55 millions pound of dairy butter or approximately 80 million pounds higher than 1946 production. Each pound change in the per capita rate represents approximately $12\frac{1}{2}$ million pounds of butter per annum.

A producers' subsidy of 10 cents per pound of butterfat used in the manufacture of creamery butter is payable under the present Order in Council until April 30, 1947.

TABLE 26.—CREAMERY BUTTER PRODUCTION AND RECOMMENDATIONS FOR 1947

Province	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 (a) Recom- mended	1947 of 1946
000 pounds						
CANADA	254,772	301,342	293,541	270,100	295,000	109
Prince Edward Island.....	2,073	4,183	4,233	3,950	.....	.....
Nova Scotia.....	5,787	7,396	7,387	6,925	.....	.....
New Brunswick.....	3,722	7,176	7,422	6,950	.....	.....
Quebec.....	76,487	85,279	88,111	85,700	.....	.....
Ontario.....	85,659	78,198	77,497	67,050	.....	.....
Manitoba.....	24,223	30,823	26,995	25,600	.....	.....
Saskatchewan.....	23,889	45,675	41,040	36,850	.....	.....
Alberta.....	27,180	37,039	34,653	31,800	.....	.....
British Columbia.....	5,752	5,572	6,203	5,275	.....	.....

(a) Recommendations are based on requirements to meet a 6-ounce ration in 1947.

SUPPLY SITUATION

—	Average 1935-39	Average 1943-45	Average	1946 Preliminary	1947 Recom- mended
000 pounds					
Stocks at beginning.....	34,262	36,843	40,974	36,229	33,500
Production.....	254,772	301,342	293,541	270,100	295,000
Imports.....	1,114	2	3	25	.....
Total supplies.....	290,148	338,187	334,518	306,354	328,500
Exports.....	6,642	6,578	5,589	5,000	5,000
Stocks at end of year.....	36,192	41,174	36,229	33,500	38,500
Available for domestic use					
Creamery butter.....	247,314	290,435	292,691	267,854	285,000
Dairy butter.....	95,075	54,448	53,348	55,000	55,000
Total butter.....	342,389	344,883	346,039	322,854	340,000

Cheddar Cheese.—Production of cheddar cheese dropped sharply in 1946 to 140 million pounds. This was partially due to diversion to other dairy products but can also be attributed to some decline in milk production in the cheese areas of Ontario and Quebec.

TABLE 27.—CHEDDAR CHEESE PRODUCTION AND RECOMMENDATIONS FOR 1947

Province	Average 1935-39	Average 1943-45	1945	1946 Preliminary	1947 (a) Recommended	1947 of 1946
000 pounds						
CANADA.....	119,922	176,337	184,452	139,775	183,000	131
Prince Edward Island.....	376	984	1,058	725	.....	.....
New Brunswick.....	480	1,107	1,201	750	.....	.....
Quebec.....	26,420	57,128	59,846	40,200	.....	.....
Ontario.....	87,081	108,782	113,397	90,800	.....	.....
Manitoba.....	2,668	3,680	3,842	3,000	.....	.....
Saskatchewan.....	441	466	368	350	.....	.....
Alberta.....	1,861	3,421	3,986	3,275	.....	.....
British Columbia.....	595	769	756	675	.....	.....

(a) Recommendations for 1947 are based on actual requirements to meet export contracts and allotments and to meet domestic requirements of 55 million pounds.

SUPPLY SITUATION

—	Average 1935-39	Average 1943-45	1945	1946 Preliminary	1947 Recommended
000 pounds					
Stocks at beginning.....	25,169	46,710	40,307	33,724	26,000
Production.....	119,922	176,337	184,452	139,775	183,000
Imports.....	.....	.....	.....	.....	.....
Total supplies.....	145,091	223,047	224,759	173,499	209,000
Exports.....	78,700	132,193	135,409	95,000	128,000
Stocks at end of year.....	26,712	39,161	33,724	26,000	26,000
Available for domestic use.....	38,669	51,693	55,626	52,499	55,000

Under the present contract, the British Ministry of Food have agreed to buy 125 million pounds of cheese for the year ending March 31, 1948, at a price of 20 cents per pound f.o.b. factory shipping point or grading station shipping point, and have at the same time indicated their willingness to extend the contract until March 31, 1949, at a price to be determined at a later date.

The domestic market will require at least 55 million pounds of cheese per year for the next two years and in addition approximately 3 million pounds have been allocated for export to other countries.

This means that there is a market for at least 183 million pounds of cheese in 1947 and 1948.

In addition to the contract price of 20 cents per pound f.o.b. factory shipping point or grading station shipping point for cheese, the Dominion Government pays a quality premium of 1 or 2 cents per pound on high grade cheese and under the present Order in Council will continue to pay the producers' subsidy of 30 cents per 100 pounds of milk used in the manufacture of cheddar cheese until April 30, 1947. Ontario also paid a bonus of 2 cents per pound on all cheddar cheese manufactured in the province during the period of requisitioning by the Dairy Products Board.

Concentrated Milk Products.—Evaporated whole milk production totalled 193 million pounds, about 4 per cent less than the peak production of 1945. Condensed whole milk in 1946 totalled 30 million pounds, slightly more than the previous year, while whole milk powder was maintained at 1945 levels. The demand for all whole milk products was high both in the domestic and export markets, and altogether 610,924 cases of evaporated milk were shipped under contract to the British Ministry of Food. Production of skim-milk powder reached an all time high in 1946 and totalled 40 million pounds.

TABLE 28.—PRODUCTION OF CONCENTRATED MILK PRODUCTS AND RECOMMENDATIONS FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946 Preliminary	1947 Recom- mended	1947 of 1946
000 pounds						
Evaporated.....	90,247	189,269	201,601	193,000	201,600	104
Condensed.....	9,067	28,977	29,090	30,000	30,000	100
Whole Milk Powder.....	4,720	15,194	14,540	14,500	14,500	100
Skim Milk Powder.....	21,359	29,266	35,735	40,000	40,000	100

Recommendations for evaporated milk are based on requirements under present domestic restrictions and export commitments. The present contract with the British Ministry of Food provides for the shipment of 600,000 48-pound cases of evaporated whole milk for the year ending March 31, 1948, at a price of \$4.95 per 48-pound case f.o.b. Montreal and Vancouver which is an increase of 14 cents per case over that paid in 1945.

Production of condensed whole milk is dependent on the sugar available and recommendations for 1947 provide for continued production on the same level as 1946. Whole milk powder requirements for 1947 have also been set at the same level as 1946.

Total Milk Requirements.—Total requirements for all dairy products, allowing for a weekly 6-ounce per capita butter ration, for the consumption of evaporated milk under present restrictions and for sufficient production for cheese to fill the export contract and domestic requirements, would be 17,888 million pounds in 1947.

TABLE 29.—MILK UTILIZATION AND RECOMMENDATIONS FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946 Preliminary	1947 Recom- mended
000 pounds					
Fluid sales.....	2,880,228	2,875,615	4,007,858	4,308,473	4,300,000
Consumed on farms.....	1,722,109	1,715,866	1,716,296	1,742,204	1,742,000
Creamery butter.....	5,964,246	7,050,317	6,871,809	6,325,742	6,909,000
Dairy butter.....	2,177,341	1,217,788	1,247,354	1,288,100	1,288,100
Cheese.....	1,354,239,	1,997,049	2,094,140	1,574,880	1,975,000
Concentrated milk.....	259,663	601,235	661,867	604,460	623,600
Ice cream.....	132,383	270,817	264,041	250,394	250,000
Fed to stock.....	791,888	798,065	800,445	812,452	800,000
Total.....	15,282,097	17,580,754	17,618,810	16,905,685	17,887,700

EGGS AND POULTRY

Eggs.—Owing to the smaller hatches in 1945, egg production for 1946 was down about 29 million dozen below the previous year. The 72 million chicks hatched in 1944 produced 373 million dozen eggs in 1945. In 1945, hatchings were down to 62 million chicks which produced 345 million dozen eggs in 1946. Hatchings for 1946 are about 83 million chickens and should produce 378 million dozen eggs in 1947 after taking into consideration the probability that proteins may not be of as high quality as usual and that this may be reflected in a lower rate of egg production.

Domestic consumption of eggs remains very high. The return of service personnel to Canada has increased domestic requirements for 1946 to approximately 287 million dozen. The high domestic consumption in 1946 and lower production made it impossible to completely fill the contract for eggs with the British Ministry of Food. The 1946 contract called for the equivalent of 83 million dozen. Shipments approximated 60 million dozen.

A contract has been completed between the Canadian and British governments covering the period between February 1, 1947 and January 31, 1949. The contract calls for the shipment of 1,750,000 cases of eggs in the shell and 7,500 long tons of sugar dried egg in each of the two years. This is equivalent to 83 million dozen eggs annually.

The contract provides for a price increase as compared with 1946 of one cent per dozen from January 21 to September 1 and an increase of two cents in the fall and early winter. Under this contract the price for fall and early winter eggs will be seven cents higher than the spring and summer prices.

The purpose of this fall price premium is to encourage fall and early winter egg production in order to have a large volume for export at that season. Canada's future in the British market is considered to depend very materially on her ability to produce and export eggs in the fall and early winter.

TABLE 30.—EGG PRODUCTION AND RECOMMENDATIONS FOR 1947

	Average 1935-39	Average 1943-45	1945	1946 Preliminary	1947 Estimated	1947 of 1946
000 dozen						
CANADA	219,523	350,169	373,952	345,000	378,500	110
Prince Edward Island.....	3,301	5,638	6,371	6,000	.....	.....
Nova Scotia.....	4,038	9,478	10,206	9,500	.....	.....
New Brunswick.....	4,588	8,139	9,167	8,900	.....	.....
Quebec.....	32,267	49,927	55,324	52,000	.....	.....
Ontario.....	80,854	109,692	119,344	110,000	.....	.....
Manitoba.....	17,711	35,958	38,370	33,000	.....	.....
Saskatchewan.....	36,441	64,160	64,634	59,000	.....	.....
Alberta.....	24,081	40,595	42,866	40,000	.....	.....
British Columbia.....	16,242	26,579	27,652	26,600	.....	.....

SUPPLY SITUATION

	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated
000 dozen					
Stocks at beginning of year.....	8,844	13,155	27,002	10,059	8,099
Production.....	219,523	350,179	373,952	345,000	378,500
Imports.....	291	149	42	40	35
Total supply.....	228,658	363,473	400,996	355,099	386,535
Exports (a).....	7,223	70,683	114,623	60,000	90,000
Available for domestic use.....	211,493	278,071	276,314	287,000	288,535
Stocks at end of year.....	9,942	14,719	10,059	8,099	8,000

(a) Includes eggs earmarked for export.

TABLE 31.—SPECIAL PRODUCTS BOARD EGG PURCHASES

—	1941	1942	1943	1944	1945	1946 to Oct. 31
cases of 30 dozen						
CANADA	511,220	1,251,198	1,121,427	2,664,325	2,998,170	1,745,640
Maritime Provinces.....	9,589	11,966	8,560	22,984	31,932	11,514
Quebec.....	39,001	27,098	32,938	153,464	290,960	117,821
Ontario.....	192,283	507,873	460,651	1,033,854	1,156,831	803,934
Manitoba.....	89,266	190,932	146,250	318,929	337,779	140,673
Saskatchewan.....	68,992	279,147	271,617	543,016	473,209	251,319
Alberta.....	64,136	201,584	198,291	401,853	493,864	297,807
British Columbia.....	47,953	32,598	3,120	190,225	213,595	112,772

Poultry.—Greater chick sales in the spring of 1946 as compared with 1945 resulted in a greater tonnage of dressed poultry for market during that year.

Domestic consumption of poultry meat was probably higher in 1946 than ever before. Despite this there were ample supplies available during the fall season with some surplus exported. A contract was made with the British Ministry of Food for 12,500,000 lb. of Canadian poultry to be exported during 1946.

Poultry processings for the year 1946 have been exceptionally heavy and it is expected that the total supply of poultry will be in the neighbourhood of 331,000,000 lb. for the year 1946.

Modern and efficient facilities for processing and preparing poultry for market have expanded considerably during the past three years. The daily killing capacity for all of Canada now exceeds more than 322,000 birds per day, which is more than double the capacity of two years ago. This development has resulted in more efficient handling of market poultry and also in the more attractive preparation of the poultry for market.

The 1947 outlook for poultry meat is good. Should meat rationing be discontinued during the year 1947 more poultry will be available to meet requirements for export contracts which are now under negotiation.

TABLE 32.—FARM POULTRY MEAT PRODUCTION AND RECOMMENDATIONS FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946 Preliminary	1947 Estimated	1947 of 1946
000 pounds						
CANADA	197,742	295,858	307,089	315,000	315,000	100
Prince Edward Island.....	2,739	3,770	3,666	4,000	.....	.....
Nova Scotia.....	3,303	6,476	6,521	7,000	.....	.....
New Brunswick.....	3,873	5,896	6,450	6,000	.....	.....
Quebec.....	23,320	38,631	37,243	40,000	.....	.....
Ontario.....	74,949	92,452	97,948	94,000	.....	.....
Manitoba.....	20,166	31,390	29,410	34,000	.....	.....
Saskatchewan.....	30,535	66,775	71,080	74,000	.....	.....
Alberta.....	26,549	39,469	40,894	42,000	.....	.....
British Columbia.....	12,308	12,999	13,877	14,000	.....	.....

SUPPLY SITUATION

—	Average 1935-39	Average 1943-45	1945	1946 Preliminary	1947 Estimated
000 pounds					
Stocks at beginning of year.....	12,814	21,511	24,649	16,232	25,000
Production.....	197,742	295,858	307,089	315,000	315,000
Total supplies.....	210,556	317,369	331,738	331,232	340,000
Export.....	2,993	9,329	11,162	1,500	20,000
Available for domestic use.....	194,048	285,999	304,344	304,732	300,000
Stock at end of year.....	13,515	22,041	16,232	25,000	20,000

FRUITS

Indications are that apples, plums, peaches and grapes will show small declines in 1947, while the apricot crop will probably show a substantial reduction. Estimates for all other crops show increases ranging from 4 per cent for strawberries and loganberries to 28 per cent for cherries. This is a favourable outlook from the production point of view. The price prospect is also good, and any slight declines will be from current and recent relatively high levels.

Of the ten fruits discussed here, eight were subsidized during the latter part of the war period. The main purpose of the subsidies, apart from those applicable to apples, was to ensure diversion of adequate quantities from the fresh market to processing, and incidentally to encourage production. The assistance to apple growers was first granted in 1939, and had in view the saving of an industry cut off from long-time export markets.

The subsidies on pears, plums, peaches, apricots and cherries, delivered for processing were discontinued in 1946 after having been paid for three seasons. In as much as maximum prices were continued on the canned products, increases were authorized permitting payment to growers for 1946 raw product of an amount equal to the full price and subsidy obtainable in 1945. The berry subsidies had been virtually limited to fruit processed into jam. The discontinuance of these subsidies was accompanied by increases in jam ceilings. Pears, plums, peaches, apricots and cherries were still subject to ceiling prices on fresh sale, berry ceilings being the only ones discontinued in 1946. Processors made their purchases of these fruits without subsidy assistance, but with the knowledge of higher legal prices for final product available.

Apples.—It is likely that apple production in 1947 will be almost as large as the 1946 crop. There may be slight reductions in the heavy producing provinces, Nova Scotia and British Columbia, but the effect of recent new plantings is still evident in Quebec, and Ontario orchards will recover further from the 1945 low.

Half the 1946 crop is being disposed of in export markets, principally Britain, the historic customer for Nova Scotia and British Columbia apples. Shipping has become available again, and repeat orders can be booked in 1947 if production is as forecast. Seven million bushels is considered adequate for fresh home consumption. The U.S. market for processing types, and to a lesser extent for dessert apples, is expected to be available again.

Apples have been subject to ceiling prices since 1942, with domestic prices at or near ceiling for favoured varieties. Some recession in price levels would not wipe out all incentive for growers to continue careful and profitable production.

TABLE 33.—APPLE PRODUCTION AND ESTIMATES FOR 1947

	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated	1947 of 1946
000 bushels						
CANADA	14,570	12,785	7,635	17,594	17,000	97
Nova Scotia.....	5,874	3,732	1,087	5,400	5,000	93
New Brunswick.....	143	266	170	300	300	100
Quebec.....	569	630	80	1,100	1,500	136
Ontario.....	2,419	1,847	550	1,879	2,200	117
British Columbia.....	5,565	6,310	5,748	8,915	8,000	90

TABLE 33.—APPLE PRODUCTION AND ESTIMATES FOR 1947—*Concluded*
 SUPPLY SITUATION
 (Crop year July 1 to June 30)

—	Average 1935-39	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-48 Estim- ated
000 bushels					
Production.....	14,570	12,785	7,635	17,594	17,000
Imports.....	224	75	132	100	100
Total supplies.....	14,794	12,860	7,767	17,694	17,100
Fresh exports.....	6,164	1,938	976	7,000	7,500
Processed.....	2,670	3,870	1,368	3,000	2,500
Available for domestic use.....	5,960	7,052	5,423	7,694	7,100

Pears.—An increase in production of 14 per cent is foreseen for this fruit as plantings have been increased considerably in recent years. Prices have been close to ceiling since 1943. Processing from 1943 to 1945 was encouraged by a subsidy to equalize producer returns from fresh and cannery sales but at the same time considerations of sugar supply were often a limiting factor. In 1946 the subsidy on sales to processors no longer applied, but, with increased ceilings on canned pears, growers' returns were about the same. A larger crop in 1947, together with increased imports, will probably result in larger sales to processors. The supply for fresh sale, though larger, should move at firm prices.

TABLE 34.—PEAR PRODUCTION AND ESTIMATES FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated	1947 of 1946
000 bu.						
CANADA	569	710	600	900	1,025	114
Nova Scotia.....	18	29	38	30	40	133
Ontario.....	282	251	47	245	360	147
British Columbia.....	269	430	515	625	625	100

SUPPLY SITUATION

—	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated
000 bu.					
Production.....	569	710	600	900	1,025
Imports.....	394	314	659	400	500
Total supplies.....	963	1,024	1,259	1,300	1,525
Fresh exports.....	77	a/ 267	a/ 123	a/ 200	50 300
Processed.....	208				
Available for domestic use.....	678	757	1136	1,100	1,175

a/ Less than 500 bushels.

Plums and Prunes.—A levelling off in the production of these fruits is likely in 1947, with a 4 per cent decrease indicated. Processing was at near-record levels in 1946 but probably will be less in 1947. The absence of subsidy on fruit going to processors was no deterrent on deliveries in 1946, and the increases in jam and canned product ceilings made possible full payment to growers. Imports of U.S. plums will probably increase slightly.

TABLE 35.—PLUM AND PRUNE PRODUCTION AND ESTIMATES FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated	1947 of 1946
000 bu.						
CANADA.....	225	462	486	670	640	96
Nova Scotia.....	10	10	8	15	15	100
Ontario.....	68	101	27	182	175	96
British Columbia.....	147	351	451	473	450	95

SUPPLY SITUATION

—	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated
000 bu.					
Production.....	225	462	486	670	640
Imports.....	167	222	343	222	250
Total supplies.....	392	684	829	892	890
Fresh exports.....	25	.....	5	5	5
Processed.....	61	202	205	425	300
Available for domestic use.....	306	482	624	462	585

Peaches.—A slight decrease of perhaps 3 per cent is likely in peach production in 1947. Plantings have been increasing, especially in British Columbia. Processing from the 1946 crop was in relatively large volume, but not up to pre-war levels and it is likely that some reduction in deliveries to canneries will be recorded in 1947. With some reduction in imports, there will thus be a fresh supply of somewhat smaller proportions and firm prices should result.

TABLE 36.—PEACH PRODUCTION AND ESTIMATES FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated	1947 of 1946
000 bu.						
CANADA.....	1,023	1,299	1,566	2,113	2,050	97
Ontario.....	907	841	910	1,428	1,400	98
British Columbia.....	116	458	656	685	650	95

SUPPLY SITUATION

—	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated
000 bu.					
Production.....	1,023	1,299	1,566	2,113	2,050
Imports.....	211	303	467	421	300
Total supplies.....	1,234	1,602	2,033	2,534	2,350
Fresh exports.....	956	370	470	850	750
Processed	278	1,232	1,563	1,684	1,600

Apricots.—Production, restricted to British Columbia, was at a new high in 1946 and it is not expected that as large a crop will be forthcoming in 1947. The decrease may be one-third. Heavy imports last year due to a large U.S. crop, may be somewhat less in 1947. With processing reduced from the record volume of 1946, but still higher than in previous years, the fresh supply should be of proportions only slightly greater than in recent years other than 1946. Demand for the fruit seems keen, and prices may continue to reflect this situation.

TABLE 37.—APRICOT PRODUCTION AND ESTIMATES FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated	1947 of 1946
000 bu.						
CANADA	50	86	87	162	110	68
British Columbia.....	50	86	78	162	110	68

SUPPLY SITUATION

—	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated
000 bu.					
Production.....	50	86	87	162	110
Imports.....	74	65	56	113	75
Total supplies.....	124	151	143	275	185
Fresh exports.....	6	30	22	66	40
Processed.....					
Available for domestic use.....	118	131	131	209	145

Cherries.—This crop is expected to make a comeback from recent low yields in Ontario and to continue steady expansion in British Columbia. The overall increase may be 28 per cent. Processing has been on a small scale in recent years, but the likelihood is that most of the anticipated increase in the crop will be canned and otherwise processed. Inasmuch as the processing industry has evidently had insufficient supplies for some seasons, and as fresh demand will probably remain firm, the outlook is favourable for growers.

TABLE 38.—CHERRY PRODUCTION AND ESTIMATES FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated	1947 of 1946
000 bu.						
CANADA	210	246	237	292	375	128
Ontario.....	132	98	41	139	200	144
British Columbia.....	78	148	196	153	175	114

SUPPLY SITUATION

—	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 estim- ated
000 bu.					
Production.....	210	246	237	292	375
Imports.....	21	19	26	18	20
Total supplies.....	231	265	263	310	395
Fresh exports.....	92	108	82	125	200
Processed.....					
Available for domestic use.....	139	157	181	185	195

Strawberries.—A slight increase in production is probable in 1947. This industry was prominent in British Columbia previous to the beginning of the war with Japan and the removal of Japanese growers from their farms.

Subsidies paid to growers on sales to processors from 1942 to 1945, had some effects in sustaining production. The fruit was subject to ceiling prices until 1945, and demand was very firm as it also was in the free market of 1946. Processors, who took a smaller volume last year than in 1945, will be buyers of a larger volume in 1947 and the indicated quantity for fresh marketing will be small enough to suggest no considerable lowering of prices.

TABLE 39.—STRAWBERRY PRODUCTION AND ESTIMATES FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated	1947 of 1946
000 quarts						
CANADA	25,493	14,653	16,726	16,103	16,800	104
Nova Scotia.....	1,088	816	790	550	700	127
New Brunswick.....	1,330	820	950	1,000	1,000	100
Quebec.....	7,012	3,699	3,500	2,600	3,000	115
Ontario.....	8,297	5,599	6,146	5,887	6,000	102
British Columbia.....	7,766	3,719	5,340	6,066	6,100	101

SUPPLY SITUATION

—	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated
000 quarts					
Production.....	25,493	14,653	16,725	16,103	16,800
Imports.....	3,174	1,095	698	1,057	1,500
Total supplies.....	28,667	15,748	17,424	17,160	18,300
Fresh exports.....	3,185	139	82	212	200
Processed.....	5,337	4,544	7,191	4,000	6,500
Available for domestic use.....	20,145	11,065	10,151	12,948	11,600

Raspberries.—Production is increasing steadily in British Columbia, with a declining or stable situation elsewhere. An overall increase of about 12 per cent is probable. More than half of this crop has been processed in recent years, and the volume is likely to be about the same in 1947 as in 1946. Some exports for processing in the U.S. were made last year, and these may continue. The United Kingdom is ready to take a considerable volume (barrelled in SO₂) at an acceptable price. The general outlook continues favourable.

TABLE 40.—RASPBERRY PRODUCTION AND ESTIMATES FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated	1947 of 1946
000 quarts						
CANADA	9,157	11,149	12,548	12,383	13,825	112
Nova Scotia.....	72	76	70	63	75	119
New Brunswick.....	48	94	38	48	50	104
Quebec.....	2,442	811	700	490	700	143
Ontario.....	4,133	4,652	4,437	3,915	4,500	115
British Columbia.....	2,463	5,561	7,303	7,867	8,500	108

TABLE 40.—RASPBERRY PRODUCTION AND ESTIMATES FOR 1947—*Concluded*
SUPPLY SITUATION

	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated
000 quarts					
Production.....	9,157	11,149	12,548	12,383	13,825
Imports.....	200	28	23	21	25
Total supplies.....	93,357	11,177	12,571	12,404	13,850
Exports.....	600	481	231	400	500
Processed.....	2,372	5,122	6,656	7,100	7,000
Available for domestic use.....	6,385	5,574	5,684	4,904	6,350

Grapes.—Production of grapes is expected to be maintained in 1947 with any decline in Ontario production offset by an increase in British Columbia. Sustained imports of the dessert type grape with some reduction in processing of the Canadian crop, may leave a somewhat larger supply for fresh sale. Prices have been relatively high, and any slight decline would still permit the crop to provide good returns.

TABLE 41.—GRAPE PRODUCTION AND ESTIMATES FOR 1947

	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated	1947 of 1946
000 pounds						
CANADA	42,818	60,212	66,012	65,260	65,000	100
Ontario.....	41,142	57,467	63,062	62,900	62,000	99
British Columbia.....	1,676	2,745	2,950	2,360	3,000	127

SUPPLY SITUATION

	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated
000 pounds					
Production.....	42,818	60,212	66,012	65,260	65,000
Imports.....	28,002	49,335	57,255	50,000	50,000
Total supplies.....	70,820	109,547	123,267	115,260	115,000
Fresh exports.....	25,626	35,107	35,276	52,000	40,000
Available for domestic use.....	45,194	74,440	81,991	63,260	75,000

Loganberries.—An increase of approximately 4 per cent is forecast for this British Columbia crop in 1947. Processing is the main outlet for the fruit, the products being wine and jam. Markets and prices should continue fairly steady.

TABLE 42.—LOGANBERRY PRODUCTION AND ESTIMATES FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated	1947 of 1946
000 pounds						
CANADA	1,853	1,387	1,447	1,731	1,800	104
British Columbia.....	1,853	1,387	1,447	1,731	1,800	104

SUPPLY SITUATION

—	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated
000 pounds					
Production.....	1,853	1,387	1,447	1,731	1,800
Imports.....					
Total supplies.....	1,853	1,387	1,447	1,731	1,800
Exports.....					
Processed.....	1,761	1,215	1,205	1,520	1,550
Available for domestic use.....	92	172	242	211	250

VEGETABLES AND CANNING CROPS

Potatoes.—Following the large crop of 1946, produced on increased acreage, a slight reduction in acreage is recommended for 1947. Based on recent average yields, which are lower than the 154 bushels per acre obtained in 1946, production of about 72 million bushels can be expected. This will be a reduction of 10 per cent and just about a manageable crop for Canada.

Low prices at the opening of the 1946 marketing season in the East led to potatoes being the first crop for which support was sought from the Agricultural Prices Support Board. In response to growers' requests and after considerable investigation, the Board decided to facilitate diversion of high grade potatoes into starch factories in such quantities and at such times as factory capacity permitted. All such factories are in New Brunswick and Prince Edward Island, where the Board's delivered prices are \$1.65 per barrel of 165 pounds for No. 1 grade, and \$1.50 per barrel for field-run containing at least 70 per cent No. 1.

The Board's second price support device is an offer to purchase No. 1. table potatoes in the spring of 1947 at \$1 per 75 pounds, bagged, inspected, and loaded in cars at shipping points in New Brunswick and Prince Edward Island. In addition the Board took active steps to assist growers and shippers in these two surplus provinces to increase sales of table stock to South American and other export markets, and also to publicize to consumers the nutritive qualities of the tubers. While these price support measures are operative only in the two surplus producing Maritime provinces, it is the expectation that alleviation of the low price situation there will indirectly improve markets in other parts of the country.

The 1946 U.S. crop, like that in this country, was at near-record levels. The last previous large crop in Canada, that of 1944, occurred in a year when U.S. buyers were glad to take away the surplus. The short 1945 crop was readily augmented by unprecedented imports from the United States. The 1946 situation illustrated the price difficulties likely to accompany simultaneous high

production in the two countries, and planting here must be in the light of the Canadian table stock market and the export certified seed market, with exports of table stock normally rather limited.

TABLE 43.—POTATO ACREAGE AND RECOMMENDATIONS FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946	1947	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
CANADA	516,000	525,100	507,700	520,000	516,000	99
Prince Edward Island.....	34,600	40,833	43,000	48,500	.....	.....
Nova Scotia.....	21,200	23,467	22,400	24,000	.....	.....
New Brunswick.....	48,200	64,467	66,200	68,700	.....	.....
Quebec.....	136,000	164,333	156,100	152,000	.....	.....
Ontario.....	146,400	117,333	116,000	120,000	.....	.....
Manitoba.....	33,400	27,067	25,000	22,500	.....	.....
Saskatchewan.....	48,800	41,567	36,600	37,000	.....	.....
Alberta.....	29,000	28,600	25,900	28,900	.....	.....
British Columbia.....	18,400	17,433	16,500	19,000	.....	.....

SUPPLY SITUATION (Crop year July 1—June 30)

—	Average 1935-39	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-48 Estim- ated
000 bushels					
Production.....	64,387	71,631	59,977	80,052	72,561
Imports.....	541	3,270	8,089	500	.....
Total supplies.....	64,922	74,901	68,066	80,552	.....
Disposal					
Seed following year (20 bushels per acre).....	10,480	10,425	10,154	10,320	.....
Processed.....	184	2,048	1,971	2,000	.....
Fresh exports Table stock.....	1,000	2,883	612	1,500	.....
Certified seed.....	1,578	2,533	2,640	2,500	.....
Shrinkage (20% of crop).....	12,877	14,326	11,995	15,666	.....
Available for domestic use.....	38,809	42,686	40,694	48,566	.....

Canning Crops.—For the four main vegetable canning crops, beans, corn, peas and tomatoes, growers' subsidies were paid from 1942 to 1945. The payments of several millions of dollars constituted from 10 per cent to 30 per cent of growers' returns for the various crops. The policy was discontinued for the 1946 season but growers received about the same returns by reason of sustained demand for the canned product and a proportional increase in ceiling prices of the latter. However, the price situation has now reverted to bargaining between growers and processors within the increased limits made possible by the higher canned products ceilings. In this bargaining growers act in the light of their cost situation and the canners have the market for canned goods in view, there being no guarantee they will realize ceilings.

In Ontario and British Columbia the bargaining is collective, and elsewhere prices forming part of acreage contracts tend to be uniform for all growers for each processor.

These products have been under export control for some years, and it appears that external markets would take at remunerative prices much or all of any surplus over Canadian needs which might be produced. Tomato juice is the main exception to this statement.

Beans.—Maintained bean acreage is recommended for 1947. This will result in a considerable increase in production if more normal weather prevails than in 1946. Last year's pack was below requirements in spite of a 13 per cent increase in contracted acreage over 1945. Demand for this crop has increased considerably in recent years, and production, particularly in Quebec and Western Canada has reflected this.

TABLE 44.—BEANS: CONTRACTED ACREAGE AND RECOMMENDATIONS FOR 1947

	Average 1943-45	1945	1946	1947	1947 of 1946
	ac.	ac.	ac.	ac.	%
CANADA.....	7,143	8,060	9,220	9,250	100
Maritimes.....	240	160	240	.....	.....
Quebec.....	4,490	5,290	6,630	.....	.....
Ontario.....	1,273	1,420	960	.....	.....
Prairies.....	393	440	500	.....	.....
British Columbia.....	747	750	890	.....	.....
Crop processed (tons).....	11,595	12,433	13,000	16,175	12.5

SUPPLY SITUATION (Crop year July 1—June 30)

	Average 1935-39	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-48 Estim- ated
000 cases					
Stocks at July 1.....	156	76	103	124	125
Production.....	467	1,107	1,191	1,212	1,618
Total supplies.....	623	1,183	1,294	1,336	1,743
Exports.....	7	11	12	12	20
Available for domestic use.....	616	1,172	1,282	1,324	1,723
Domestic utilization.....	472	1,075	1,158	1,199	1,473
Carryover at end of year.....	144	97	124	125	150

Corn.—With a view to alleviating still further the evident scarcity of corn, an 8 per cent increase in acreage is recommended for 1947. Floods in southwestern Ontario forced abandonment of some fields in 1946. Corn packs well above pre-war averages now prove inadequate, and demand should continue active for a larger pack in 1947.

TABLE 45.—CORN: CONTRACTED ACREAGE AND RECOMMENDATIONS FOR 1947

	Average 1943-45	1945	1946	1947	1947 of 1946
	ac.	ac.	ac.	ac.	%
CANADA.....	37,030	36,390	41,490	45,000	108
Maritimes.....	.....	.....	.....	.....	.....
Quebec.....	7,443	8,550	11,560	.....	.....
Ontario.....	25,677	22,900	25,280	.....	.....
Prairies.....	2,410	3,200	3,360	.....	.....
British Columbia.....	1,500	1,740	1,290	.....	.....
Crop processed (tons).....	53,908	52,010	60,000	75,000	125

SUPPLY SITUATION (Crop year July 1—June 30)

	Average 1935-39	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-48 Estim- ated
000 cases					
Stocks July 1.....	322	124	110	97	70
Production.....	1,310	1,513	1,437	1,737	2,000
Imports.....	1	a/	a/	a/	a/
Total supplies.....	1,633	1,637	1,547	1,834	2,070
Exports.....	65	21	30	35	50
Available for domestic use.....	1,568	1,616	1,517	1,799	2,020
Domestic utilization.....	1,248	1,508	1,407	1,729	1,920
Carryover end of year.....	320	108	110	70	100

(a/) Less than 500 cases.

Peas.—A 15 per cent reduction in acreage is recommended following the very large but low grade crop of 1946. The yield last year was poor, and the smaller acreage should permit an adequate pack of saleable peas. Some of the 1946 Standard pack may be authorized for export, but processing of a better average quality of product in adequate volume should be the objective.

TABLE 46.—PEAS: CONTRACTED ACREAGE AND RECOMMENDATIONS FOR 1947

	Average 1943-45	1945	1946	1947	1947 of 1946
	ac.	ac.	ac.	ac.	%
CANADA	35,653	37,630	49,810	42,500	85
Maritimes.....	1,177	1,170	1,920	..	..
Quebec.....	8,847	8,360	13,240	..	..
Ontario.....	18,993	20,560	26,730	..	..
Prairies.....	2,893	3,260	3,300	..	..
British Columbia.....	3,743	4,280	4,620	..	..
Crop processed (tons).....	30,229	34,810	41,000	39,000	95

SUPPLY SITUATION

(Crop yearly July 1—June 30)

	Average 1935-39	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-47 Estim- ated
	000 cases				
Stocks at July 1.....	608	268	348	268	375
Production.....	1,761	2,931	3,083	4,077	3,800
Imports.....	1	a/	a/	a/	a/
Total Supplies.....	2,370	3,199	3,431	4,345	4,175
Exports.....	51	46	75	125	130
Available for domestic use.....	2,319	3,153	3,356	4,220	4,045
Domestic utilization.....	1,727	2,836	3,088	3,845	3,720
Carryover end of year.....	592	317	268	375	325

(a/) Less than 500 cases.

Tomatoes.—Reduced acreage of tomatoes, by some 7 per cent, is recommended for 1947, but principally a considerable increase in tomato pack and a corresponding reduction in juice pack is desirable. Total tonnage processed was greater in 1946 than in earlier years, but the pack of canned tomatoes was considerably reduced. At the same time the pack of juice was up to record levels. Processing juice is a machine operation, while there is much hand work still required in canning tomatoes. Processors have found it difficult to obtain labour for the latter operation. However, the 1946 oversize pack of juice, which it is desirable to avoid in 1947, contains in addition too large a proportion of low grade product.

The United Kingdom market was entered again in 1946 through contracts with the Ministry of Food. More than 50,000 cases of canned tomatoes and 500,000 cases of juice were shipped in 1946. The Ministry would have preferred the products in the opposite proportions, and, with re-establishment of the balance in the respective packs, it will be easier to obtain renewed similar or larger contracts in 1947.

TABLE 47.—TOMATOES: CONTRACTED ACREAGE AND RECOMMENDATIONS FOR 1947

	Average 1943-45	1945	1946	1947	1947 of 1946
	ac.	ac.	ac.	ac.	%
CANADA.....	38,357	42,980	53,760	50,000	93
Maritimes.....					
Quebec.....	4,490	4,620	5,920		
Ontario.....	31,337	35,940	44,770		
Prairies.....					
British Columbia.....	2,530	2,420	3,070		
Crop processed (tons).....	217,848	186,106	275,000	265,000	

CANNED TOMATOES SUPPLY SITUATION

(Crop year July 1—June 30)

	Average 1935-39	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-48 Estim- ated
000 cases					
Stocks at July 1.....	921	220	193	121	75
Production.....	2,248	1,857	1,487	1,625	2,500
Imports a/.....	35	38	56	60	60
Total supplies.....	3,204	2,115	1,736	1,806	2,635
Exports a/.....	735	29	43	100	125
Available for domestic use.....	2,469	2,086	1,692	1,706	2,510
Domestic utilization.....	1,729	1,925	1,572	1,631	2,445
Carryover end of year.....	740	161	121	75	65

(a/) Imports include mostly tomato products.

TOMATO JUICE SUPPLY SITUATION

(Crop year July 1—June 30)

	Average 1935-39	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-48 Estim- ated
000 cases					
Stocks at July 1.....	453	318	392	115	375
Production.....	1,361	3,310	2,933	4,872	3,500
Imports.....					
Total supplies.....	1,814	3,628	3,325	4,987	3,875
Exports.....	100	73	84	600	300
Available for domestic use.....	1,714	3,555	3,241	4,387	3,575
Domestic utilization.....	1,256	3,300	3,126	4,012	3,325
Carryover end of year.....	458	255	115	375	250

TOMATO PASTE, PULP AND PUREE SUPPLY SITUATION

(Crop year July 1—June 30)

	Average 1935-39	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-48 Estim- ated
000 pounds					
Stocks at July 1.....	2,365	8,041	15,202	4,363	.....
Production.....	20,339	18,271	16,280	.....	.....
Imports.....					
Total supplies.....	22,703	26,313	31,482	.....	.....
Exports.....	14,844	5,173	13,123	.....	.....
Available for domestic use.....	7,859	21,140	18,359	.....	.....
Domestic utilization.....	5,047	13,779	13,996	.....	.....
Carryover end of year.....	2,812	7,761	4,383	.....	.....

HONEY

No further expansion in the number of colonies is recommended for 1947. With the present number, and the yield equal to the five-year 1940-44 average of 75 pounds per colony, a 1947 crop of 40 million pounds would be the second largest on record. If, however, yields return to the pre-war average of 93 pounds per colony, a record crop of 50 million pounds will be harvested. In recommending the present level of colony numbers for 1947, consideration was also given to the fact that the present almost unlimited demand for honey is due in great part to the shortage of sugar and scarcity of jams, jellies and syrups. This demand has been further strengthened by the rationing regulations which permit purchases of four pounds of honey per coupon compared with 24 fluid ounces of jams and jelly and one pound of sugar. With the relaxation of sugar rationing, a sharp drop in honey consumption as well as in price may be expected.

TABLE 48.—NUMBER OF BEE HIVES AND RECOMMENDATIONS FOR 1947

Province	Average 1935-39	Average 1943-45	1945	1946	1947	1947 of 1946
	no.	no.	no.	no.	no.	%
Canada	382,800	493,600	522,500	536,690	537,000	100
Prince Edward Island.....	200	600	720	760	760	.....
Nova Scotia.....	1,200	1,500	1,530	1,550	1,550	.....
New Brunswick.....	1,500	2,600	2,140	2,180	2,190	.....
Quebec.....	68,800	89,100	95,470	95,000	95,000	.....
Ontario.....	199,400	204,700	216,040	216,000	126,000	.....
Manitoba.....	54,600	54,500	60,000	65,000	65,000	.....
Saskatchewan.....	21,300	61,800	65,890	65,880	65,900	.....
Alberta.....	14,400	54,300	63,000	72,000	72,100	.....
British Columbia.....	21,400	24,500	17,740	18,320	18,400	.....

SUPPLY SITUATION

(Crop Year April 1—March 31)

—	Average 1935-39	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-48 Estim- ated
	(000 pounds)				
Stocks at beginning.....					
Production.....	35,745	34,601	33,020	22,590	40,000
Import.....	62	1,641	3,980	6,823	.....
Total supplies.....	35,808	36,242	37,000	.....	.....
Exports.....	3,453	17	24	.....	.....
Available for domestic use.....	32,355	36,225	37,976	.....	.....
Carry over at end of year.....					

Disposing of the Canadian crop at prices which would give producers a reasonable return under conditions of normal sugar supply, is largely a question of distribution and grading, and considerable attention is at present being given to this subject by various trade and government agencies. Many people who formerly were not users of honey, are, as a result of sugar rationing, now buying considerable quantities. To maintain this demand in competition with jams, jellies and other competitive sweets when rationing no longer exists will require a marketing system ensuring equitable distribution and a uniform, well-graded product.

Imports during the past three years have increased rapidly. This again was a result of sugar rationing. However, all present imports of honey are being brought in by industrial firms which are using it as a sugar substitute. These users are forbidden by regulation the use of domestic honey for this purpose except on permit. This honey, therefore, does not enter into competition with the Canadian product. When normal sugar supplies become available it may be expected that imports will return to pre-war levels.

A good potential market for Canadian honey at present exists in the United Kingdom but prices for bulk honey are not sufficiently attractive to induce Canadian producers to ship and British importers, who, being for the most part packers of bottled honey, are not inclined to import packed honey. With the return of normal sugar supplies, the present differential between bulk and packed honey will be sharply reduced and bulk stocks should be available at prices which United Kingdom buyers are willing to pay. In this event, exports of such honey will undoubtedly be resumed but in view of the organization attained by the Canadian honey industry in recent years in both packing and marketing operations, it is expected that export offerings will be regulated and that exports of packed honey will increase.

Package bees are imported from the United States each year for replacement and for the establishment of new apiaries. The number of packages imported is not available but the values of imports for the past five years are as follows:—

1942	1943	1944	1945	1946
\$266,895	\$429,565	\$662,164	\$756,550	\$832,440 ¹

A subsidy of fifty cents per pound was paid to importers during 1944 and 1945 but was discontinued in 1946.

Although the value of imports has steadily increased during the past five years the extent of the increase in volume is not shown because prices to importers have also risen during the same period. The subsidy given during 1944 and 1945 and the removal of it in 1946 appear to have had little or no effect. Sugar rationing and shortage of other competing products as well as the high price of honey have been responsible for the increase.

MAPLE PRODUCTS

There is no change in the outlook since a year ago when the anticipated production of maple syrup in 1946 was set at 2,750,000 gallons. This estimate, therefore, was repeated for the coming season.

Growers are expected to make every effort to increase production and, if the season is favourable, the only limiting factors will be the labour supply and the availability of equipment.

As was the case during the war years the demand in 1946 was very strong and the bulk of the crop except that part which was sold to the packers moved direct to consumers at ceiling prices.

There are no Dominion subsidies paid to producers but the bottlers who, while required to pay much higher prices for bulk syrup than in 1941, at the same time being restricted to 1941 prices on sales, have obtained a measure of relief through the Commodity Prices Stabilization Corporation. A surtax was charged on exports from 1943 to 1945 at the rate of 1 cent per pound on syrup and 1.4 cents per pound on sugar. In 1946 this was increased to 2.5 cents per

¹ for 9 months only.

pound on syrup, 3 cents per pound on sugar and 2.8 cents per pound on maple butter. The money collected as a surtax provided a fund which was distributed to bottlers in proportion to their output.

TABLE 49.—MAPLE SYRUP AND SUGAR PRODUCTION AND ESTIMATE FOR 1947

	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated	1947 of 1946
000 gallons						
CANADA	2,683	2,309	1,530	2,144	2,750	128
Nova Scotia.....	12	10	6	8	11	138
New Brunswick.....	24	20	17	17	25	147
Quebec.....	2,067	1,908	1,383	1,883	2,271	121
Ontario.....	580	371	124	236	443	188

SUPPLY SITUATION

	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Estim- ated	1947 of 1946
000 gallons						
Stocks.....	2,684	2,309	1,530	2,144	2,750	128
Production.....	1	(a)	(b)			
Imports.....						
Total supplies.....	2,685	2,309	1,530	2,144		
Exports.....	667	334	488	317	(c)	
Available for Dominion use.....	2,018	1,975	1,042	1,827		
Carry-over at end of year.....						

(a) 180 gallons. (b) 212 gallons. (c) based on % change 8 months ending August.

OIL SEED CROPS

The total quantity of fats and oils available for international trade in 1947 is estimated at about 50 per cent of requirements. Production of every group of fats and oils will be below pre-war level; the greatest reduction in output will be in palm oils (cocoanut palm oil and palm kernel) due to reduced production in the Netherlands East Indies and the Philippines. Marine oils also will be substantially below pre-war production.

Production of edible oilseeds, while only 10 per cent below pre-war output, nevertheless will represent no more than 50 per cent of needs by reason of the increased world requirements of edible fats.

The expectation is that 1947 will again be a year of some considerable scarcity in regard to fats and oils and oil-bearing material, and that from a long-range point of view, three years or more may be required for world production to reach the 1938-1939 level.

In Canada, the post-war industrial activity is creating a strong demand for both edible and industrial oils which is being only partially met.

It is therefore recommended that every possible effort be made to maintain or increase the production in Canada of flaxseed, soybeans, rapeseed and sunflower seed.

Flaxseed.—The total acreage under flaxseed production in 1946 was only 81 per cent of the recommended objective of 1,250,000 acres, and slightly less than the acreage of 1945. Yields were better in 1946 than in the previous year.

There has been a very strong demand for linseed oil in 1946, and an even stronger demand, conditioned by an expanding construction program, is anticipated in 1947. One new item in the domestic consumption during 1946 has been the use of linseed oil for the manufacture of shortening. About ten million pounds of oil was used for this purpose in 1946.

During 1947, it is estimated that Canada will crush some five million bushels of flaxseed for domestic consumption, and from 1.2 to 1.5 million bushels for export. These exports will be as oil, the meal being retained in Canada for feeding purposes. Exports of linseed oil will enable Canada to import quantities of other oils not locally produced.

In view of the continued world shortage of oils and fats, all other countries being importers except Argentina, it is recommended that the objective for Canadian flaxseed production in 1947 should be no less than from 12 to 15 million bushels. From 8 to 9 million bushels could be utilized domestically, and from 4 to 6 million bushels placed on export markets. On the basis of the average yield for the past ten years of 7 bushels per acre, this would require production from 1,714,000 to 2,143,000 acres. In view of the competition between flaxseed and other crops, some difficulty may be experienced in securing such acreages, so that an objective of 1,500,000 acres may be desirable.

TABLE 50.—FLAXSEED ACREAGE AND RECOMMENDATIONS FOR 1947

	Average 1935-39	Average 1943-45	1945	1946	1947	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
CANADA.....	306,730	1,776,700	1,059,200	1,008,500	1,500,000	149
Quebec.....	2,860	.....	.....	.....	.....	.....
Ontario.....	5,820	23,600	23,200	18,000	24,000	139
Manitoba.....	51,540	237,000	260,000	343,000	400,000	117
Saskatchewan.....	225,480	1,226,133	655,000	557,000	773,000	139
Alberta.....	20,760	286,833	119,000	90,000	300,000	333
British Columbia.....	270	3,133	2,000	500	2,000	400

SUPPLY SITUATION

(Crop year August 1 to July 31)

	Average 1935-39	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-48 Estim- ated
000 bushels					
Stocks at beginning of year.....	277	3,440	2,932	1,643	.....
Production.....	1,507	11,724	7,593	8,742 (a)	10,500 (b)
Imports.....	1,052	1	2	.....	.....
Total supplies.....	2,836	15,165	10,527	10,385	.....
Exports.....	49	4,667	338	.....	.....
Available for domestic use.....	2,787	10,498	10,189	.....	.....
Domestic utilization.....	2,456	7,757	8,546	.....	.....
Carryover at end of year	331	2,741	1,643	.....	.....

(a) May be subject to dockage of 20 per cent.

(b) Assuming 10-year average yield of 7 bushels per acre.

Soybeans.—The acreage of soybeans in 1946 was 21 per cent greater than the recommended objective of 49,080 acres and 28 per cent greater than in 1945. Production of this crop has been apparently abandoned in Manitoba, the 1946 acreage being confined to Ontario.

Late in 1946 the ceiling price of soybeans was increased from \$2.15 to \$2.40 per bushel, No. 1 and No. 2 f.o.b. Toronto, this increase being made retroactive for the 1946 crop. It is expected that this price increase will promote greater acreage in 1947.

Domestic requirements for soybeans in 1947 are estimated at about 3.5 million bushels.

It is recommended that the objective in domestic production for 1947 be set at 60,000 acres or 1 per cent greater than in 1946. Even with this acreage, large imports will be necessary to satisfy domestic requirements.

TABLE 51.—SOYBEANS ACREAGE AND RECOMMENDATIONS FOR 1947

	Average 1936-39	Average 1943-45	1945	1946	1947	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
CANADA	9,714	39,317 (a)	46,200	59,200	60,000	101
Ontario.....	9,714	37,983	46,000	59,200	60,000	101
Manitoba.....		1,033	200			

(a) Includes 900 acres in British Columbia in 1943 only.

SUPPLY SITUATION
(Crop year August 1 to July 31)

	Average 1936-39	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-48 Estim- ated
000 bushels					
Stocks at beginning of year.....					
Production.....	214	698	894	1,072	1,140 (a)
Imports.....	72	651	1,245		
Total supplies.....	286	1,349	2,089		

(a) Assuming average yield of 19 bushels per acre.

Rapeseed.—The first estimates of the 1946 crop of rapeseed indicated a total production of 21,850,000 pounds, being roughly double the 1945 production. The acreage of 20,400 acres recommended for 1946 was apparently exceeded by 30 per cent. Rapeseed oil has been used both for industrial and edible purposes. An objective of 26,500 acres is recommended for this crop in 1947.

TABLE 52.—RAPESEED ACREAGE AND RECOMMENDATION FOR 1947

	Average 1935-39	Average 1943-45	1945	1946 Prelim- inary	1947 Recom- mended	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
CANADA	12,160	20,400	26,500	26,500	26,500	100
Ontario.....	674	600				
Manitoba.....	5,500	9,000	6,500	6,500	6,500	100
Saskatchewan.....	5,000	8,500	20,000	20,000	20,000	100
Alberta.....	984	2,300				

SUPPLY SITUATION
(Crop year August 1 to July 31)

	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-48 Estim- ated
000 pounds				
Production.....	6,758	10,852	21,850	17,225(a)

(a) Assuming average yield of 650 pounds per acre.

Sunflower Seed.—The acreage under sunflower seed production in 1946 fell short of the recommended objective of 28,000 acres by 26 per cent, but exceeded the 1945 acreage by 225 per cent. Production in 1946, estimated at 13,356,000 pounds, was in fairly satisfactory volume for crushing capacity.

Owing to the strong demand for edible oils, and in view of the satisfactory development of the sunflower seed oil industry in the Altona district of Manitoba, expansion of acreage under this crop is desirable. This expansion may be aided by the recent introduction of new heavy-yielding hybrids. It is recommended that the 1946 objective of 28,000 acres be repeated for 1947.

TABLE 53.—SUNFLOWER SEED ACREAGE AND RECOMMENDATION FOR 1947

	Average 1943-45	1945	1946 Prelim- inary	1947 Recom- mended	1947 of 1946
	ac.	ac.	ac.	ac.	%
CANADA	18,504	9,212	20,712	28,000	135
Manitoba.....	11,267	8,500	20,000	27,000	135
Saskatchewan.....	7,071	712	712	1,000	140
Alberta.....	(a)	.....	.....	.....	.....

(a) Production on 500 acres in 1943 only.

SUPPLY SITUATION (Crop year August 1 to July 31st)

	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-48 Estim- ated
000 pounds				
Production.....	9,769	2,906	13,356	14,000 (a)

(a) Assuming average yield of 500 pounds per acre.

DRIED BEANS

The acreage under dried beans in 1946 was 5 per cent less than the 1945 acreage of 96,400 acres, which was also the recommended objective for 1946.

There was a good demand for dried beans in 1946, and considerable quantities of this crop are going forward under contract to the United Kingdom. Prospects are that the demand will be equally strong in 1947 and it is suggested that the objective of 96,400 acres be repeated for 1947.

TABLE 54.—DRIED BEANS ACREAGE AND RECOMMENDATIONS FOR 1947

	Average 1935-39	Average 1943-45	1945	1946	1947	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
CANADA	67,982	93,600	97,400	91,600	97,400	105
New Brunswick.....	1,140	1,433	1,200	1,400	1,400	100
Quebec.....	6,440	13,733	12,600	12,400	12,400	100
Ontario.....	58,540	77,333	81,500	76,800	81,500	106
Saskatchewan.....	242(a)	.....	.....	.....	.....	.....
Alberta.....	820	433	200	200	200	100
British Columbia.....	840	767	900	900	900	100

(a) Four years 1935-38—no production in 1939.

TABLE 54.—DRIED BEANS ACREAGE AND RECOMMENDATIONS FOR 1947—*Concluded*
 SUPPLY SITUATION
 (Crop year August 1 to July 31)

—	Average 1935-39	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-48 Estim- ated
000 bushels					
Production.....	1,283	1,378	1,294	1,633	1,639 (a)
Imports.....	56	41	63	.....	.....
Total supplies.....	1,339	1,419	1,357	.....	.....
Exports.....	340	215	40	.....	.....
Available for domestic use.....	999	1,204	1,317	.....	.....

(a) Assuming 17 bushels per acre yield.

DRIED PEAS

The reported acreage of dried peas in 1946 was 34 per cent greater than the corresponding 1945 acreage and 50 per cent greater than the recommended objective for 1946 of 83,250 acres.

There was good demand for peas in 1946, and it is expected that this demand will be maintained during 1947. A considerable quantity of white and yellow dried peas of 1946 crop is going forward to the United Kingdom under the 1946 agreement.

Advices from the United Kingdom indicate that there will be a market there for a considerable quantity of white and yellow dried peas of the Canadian 1947 crop, and these conditions justify the acreage of peas in 1946 being repeated in 1947.

TABLE 55.—DRIED PEAS ACREAGE AND RECOMMENDATIONS FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946	1947	1947 of 1946
—	ac.	ac.	av.	ac.	ac.	%
CANADA	85,470	92,967	93,100	125,200	125,200	100
Quebec.....	19,220	25,233	22,600	22,800	22,800	100
Ontario.....	59,140	22,700	23,500	34,300	34,300	100
Manitoba.....	2,100	9,467	11,000	25,000	25,000	100
Saskatchewan.....	390	2,800	4,400	10,200	10,200	100
Alberta.....	760	24,967	24,700	24,700	24,700	100
British Columbia.....	3,860	7,800	6,900	8,200	8,200	100

SUPPLY SITUATION
 (Crop year August 1 to July 31)

—	Average 1935-39	Average 1945-43	1945-46	1946-47 Prelim- inary	1947-48 Estim- ated
000 bushels					
Production.....	1,343	1,398	1,363	2,322	2,003(a)
Imports.....	135	96	98	95	.....
Total supplies.....	1,478	1,494	1,461	2,417	.....
Exports.....	17	142	182	.....	.....
Available for domestic use.....	1,461	1,352	1,279	.....	.....

(a) Assuming 16 bushels per acre yield.

HUSKING CORN

The acreage sown to husking corn in 1946, while slightly greater than in 1945, was only 70 per cent of the recommended objective of 350,000 acres. Failure to reach this objective was due in part to very unfavourable spring seeding conditions in southwestern Ontario.

In Manitoba the acreage of husking corn has declined rapidly from a maximum of 100,000 acres in 1924 to only 6,500 acres in 1946. The low acreage in Manitoba was in some measure due to a shortage of suitable seed. As potential producers of husking corn in this Province are well equipped with machinery, rehabilitation of this industry is dependent on adequate supplies of suitable seed.

There are good prospects for the future of the husking corn industry in Ontario. The progressive appearance of new hybrid varieties is expanding the area in which this crop can be economically produced. In particular, the introduction of new white hybrids in 1946 made possible the increased production for breakfast cereals for domestic consumption and of white corn for export. More economical harvesting by means of mechanical pickers is another favourable factor.

Normally, a large proportion of the domestic demand for shelled corn is met by imports largely from the United States. In recent years, however, drastic reductions in imports, only partially off-set by increased domestic production, have resulted in inadequate supplies. A record 1946 crop in the United States, estimated at 3.5 billion bushels, and the resumption of imports from Argentina, cut off since 1940, may be expected to relieve this situation. At least 265,000 acres of this crop should be sown in 1947, with 25,000 acres in Manitoba.

TABLE 56.—HUSKING CORN ACREAGE AND RECOMMENDATIONS FOR 1947

	Average 1935-39	Average 1943-45	1945	1946	1947	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
Canada.....	172,200	245,667	237,000	216,500	265,000	107
Ontario.....	172,200	219,000	227,000	240,000	240,000	100
Manitoba.....		26,667	10,000	6,500	25,000	385

SUPPLY SITUATION
(Crop year August 1 to July 31)

	Average 1935-39	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-48 Estim- ated
000 bushels					
Stocks at beginning of year.....	(a)	2,495	382	231	.....
Production.....	7,010	9,947	10,365	10,147	.....
Imports.....	11,001	2,894	1,671	2,500	.....
Total supplies.....		15,336	12,418	12,878	.....
Exports.....	103	127	147	150	.....
Available for domestic use.....		15,209	12,271	12,728	.....
Domestic utilization.....		14,662	12,040	.....	.....
Carryover end of year.....	(a)	547	231	.....	.....

(a) Information not available.

SUGAR BEETS

The 1946 acreage of sugar beets in Canada was 11 per cent greater than in 1945, but only 75 per cent of the recommended objective of 90,000 acres. Slight increases in estimated production were secured in Ontario, where lower than average yields were offset by increased acreage, and in Alberta where the reverse condition obtained. Under-production in relation to refining capacity prevailed to a marked degree in Quebec and Ontario. No marked change in acreage has occurred in Manitoba in recent years.

High labour requirements are currently an adverse factor in sugar beet production. Relief from this condition may result from a pronounced improvement in the labour supply, but is more likely to be effected through increased mechanization of beet production. Investigations to this end are in progress.

In view of continued stringency in world sugar supplies, it is recommended that the sugar beet acreage for 1947 be set at the estimated average processing capacity for the whole of Canada of 95,000 acres, it being taken for granted that processors will know what acreage will be sufficient to enable them to operate their plants economically.

TABLE 57.—SUGAR BEET ACREAGE AND RECOMMENDATIONS FOR 1947

	Average 1935-39	Average 1943-45	1945	1946 prelim- inary	1947 optimum capacity	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
Canada	52,480	55,920	59,360	67,500	95,000	141
Quebec.....		2,050	(a) 1,400	2,300	.....	.....
Ontario.....	33,720	13,820	17,660	23,400	.....	.....
Manitoba.....		11,367	10,000	12,000	.....	.....
Alberta.....	18,760	29,367	30,300	29,800	.....	.....

(a) Two years—1944 and 1945 only.

SUPPLY SITUATION (Crop year August 1 to July 31)

	Average 1935-39	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-48 Estim- ated
000 tons					
Production.....	518	552	619	702	950

FLAX FIBRE

The acreage of flax fibre produced in Canada in 1946 was only 73 per cent of the 1945 acreage and only 63 per cent of the recommended objective of 25,000 acres. As in 1945, the reduction in acreage was due in part to unsatisfactory seeding conditions which caused farmers to seed less than their planned acreage. Unlike previous years, however, farmers have now learned to appreciate the importance of early seeding and proper cultural practices.

Another factor tending to acreage reduction was the substantially lower level of prices at which the British Board of Trade offered to continue its purchases of Canadian flax and tow.

Wartime agreements with the United Kingdom covering flax and tow expired on September 15, 1946. Since the wartime controls relating to flax fibre and tow are still in effect in the United Kingdom, however, there is no opportunity for Canadian producers to trade directly with U.K. purchasers. For this reason, an agreement has been concluded with the British Board of Trade, through the Special Products Board, for the delivery to the United Kingdom of exportable surpluses of all grades of flax and all but the three lowest grades of tow during the 12-month period ending September 15, 1947. Under this new agreement the following prices in Canadian funds, f.o.b. ocean vessel, Canadian Atlantic Seaboard, will be paid by the Special Products Board for flax and tow delivered to the British Board of Trade:

FLAX—Canada Grade 1.....	40 cents per pound
“ “ 2.....	38 “ “ “
“ “ 3.....	35 “ “ “
“ “ 4.....	31 “ “ “
Tow—Canada Grade Pluckings.....	22 cents per pound
“ “ A.....	16 “ “ “
“ “ B.....	14 “ “ “
“ “ C.....	12 “ “ “

The foregoing prices are substantially lower than under the 1942 agreement, which was to run for the period of the war plus one year. In this connection it should be pointed out that other Dominions, operating under yearly contracts for flax delivery, had already accepted two reductions in price levels.

As regards the lower grades of flax tow (Grades D, E, and F), the Special Products Board has concluded an agreement for the delivery of exportable surpluses to the United States at the following prices f.o.b. suppliers shipping point:

Canada Grade D.....	14 cents per pound
" " E.....	12 " " "
" " F.....	11 " " "

This agreement will run for the 12-month period ending September 15, 1947.

The future of the Canadian flax fibre industry depends upon the quality of the product grown, a lower percentage of tow, and of lower-grade fibre. Every effort must be made to increase the yield per acre and lower the cost of production.

Because of the investment made in developing the flax fibre processing industry, it is likely that efforts will be made by the industry to keep going on a profitable basis. In 1946 there were 33 flax mills in operation in Canada, six less than in the peak year of 1943.

While the acreage sown to fibre flax in 1947 will be influenced by spring weather conditions and competitive price factors, it is estimated that 21,000 acres should be sown to this crop in order that the 30 well-equipped modern mills could operate to optimum capacity.

TABLE 58.—FLAX FIBRE ACREAGE AND RECOMMENDATIONS FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946	1947	1947 of 1946
	ac.	ac.	ac.	ac.	ac	%
CANADA.....	8,222	31,985	21,557	15,810	21,000	133
Quebec.....	(a)	22,369	15,372	10,754	.....	.....
Ontario.....	(a)	8,630	5,562	4,571	.....	.....
Manitoba.....	(a)	214	286	80	.....	.....
Alberta.....	(a)	126	107	133	.....	.....
British Columbia.....	(a)	647	230	302	.....	.....

(a) Information not available.

ACREAGE AND PRODUCTION OF FLAX FIBRE

(Crop year August 1 to July 31)

Year	—	Area planted	Graded scutched flax	Graded scutched tow
			acres	tons
1939-40.....	.....	.....	8,306	538
1940-41.....	.....	.....	20,275	1,020
1941-42.....	.....	44,467	1,455	3,877
1942-43.....	.....	47,070	1,479	3,177
1943-44.....	.....	35,000	1,370	3,077
1944-45.....	.....	39,000	895	1,743
1945-46.....	.....	21,557	985	1,521
1946-47.....	.....	15,840	(a) 937	1,874

(a) Estimated.

TOBACCO

War conditions created a strong demand for every pound of tobacco which Canada could produce and this demand remained strong after VE Day. The 1946 Canadian tobacco crop reached an all-time high. Per capita consumption of the various manufactured tobacco products showed an increase during the war years, a condition which, of course, is the result of a high employment level throughout the country. Consumption per capita rose from 630 cigarettes in 1939 to 1,255 in 1945 and that of cigars increased from 12 to 18. Consumption of other types of manufactured tobacco such as snuff, cut tobacco and plug varied during the period but the increase in consumption of cigars and cigarettes completely offset what slight decrease there was in other products.

Export shipments showed a continued increase during the period 1935 to 1939. In 1939 total exports approximated 32.2 million pounds of which 28.7 million pounds were flue-cured leaf. Generally the trend in exports has been upward, and since 1943, tobacco has been under export control. Quotas were established for some Empire countries and from the 1946 crop approximately 23 million pounds of flue-cured leaf, one half million pounds of burley leaf, one half million pounds of dark leaf and 100,000 pounds of cigar leaf were allotted for export. The United Kingdom alone received 87 per cent of the flue-cured export quota.

For the ten years 1936 to 1945 volume of exports was approximately 15 per cent of total production. Export demand during the war years was not satisfied because of increased domestic demand coupled with inadequate production and shipping facilities, together with other difficulties imposed by the war. United Kingdom requirements for leaf from the 1946 crop were not met fully and these requirements will likely be increased for 1947. Potential production will likely exceed domestic needs and export markets are therefore essential. These markets can only be retained if the importing countries are assured of continuity of supply.

As Canadian production of flue-cured tobacco steadily increased in the 10-year period 1936 to 1945, imports of this type have correspondingly declined. Imports of cigar leaf have increased due to lower domestic production and increased demand. The use of imported burley was discontinued in 1940. Domestic raw leaf used in manufactured products has increased since 1930 and reached 98 per cent in 1945. Tariffs and greater production aided this increase to a considerable extent but a general improvement in the quality of the Canadian leaf was also a very important factor.

Removal of leaf for manufacturing purposes has increased annually for many years. During the war years, due to the tremendous demand and no commensurate increase in production, manufacturers were forced to draw heavily on reserves. Since leaf tobacco must be aged before being used in manufacture it is considered essential to have enough on hand for at least 18 months. Old leaf stocks of all types on hand at December 31, 1945 in terms of months duration were 11.2 compared with 23.3 in 1940, the latter being considered desirable and normal. It is, therefore, obvious that the present stock position is serious. From 1936 to 1940 inclusive over 277 million pounds of leaf and 34,226 million cigarettes were produced. During the next five-year period, 1941 to 1945 inclusive, over 360 million pounds of leaf and over 68,205 million cigarettes were produced. Thus, although the number of cigarettes produced has doubled in the latter period there was only a 30 per cent increase in the quantity of flue-cured leaf made available.

During the war there was a steady increase in average farm prices for all types of tobacco. The price for flue-cured went from 20.2 cents per pound in 1939 to 35.3 cents in 1946, an increase of 75 per cent. The 1946 price was an average negotiated minimum and competition may force it slightly higher. The percentage increase of 1945 over 1939 in burley was 86, in cigar leaf 130,

and in dark leaf 150. These price increases offset the possibility of a serious decline in production which would have adversely affected the economic structure of the industry.

In spite of shortages of efficient labour, processing and packaging materials and the above increased prices to growers, the consumer price did not advance during the war except when forced upwards by the imposition of new or additional Dominion or Provincial taxes. Since the removal of ceilings on February 1, 1946 only minor upward adjustments occurred in a small number of brands.

The record production of 1946 was attained despite many difficulties. Sufficient labour was available and generally favourable weather conditions obtained throughout the growing season but the use of chemical fertilizer was restricted and materials such as lath, sheeting, nails and paper were inadequate.

Most important to growers is the prospect in 1947 for supplies of chemical fertilizer. Indications are that sufficient tonnage will be available for an area at least equal to that of 1946.

The total area recommended for commercial planting of all types of tobacco is 126,650 acres which is an increase of 7 per cent over the estimated 1946 acreage. This recommendation is made in order to meet both the increased export demand and the strong continuing domestic demand but it also includes sufficient acreage to start at least a replenishing of seriously depleted stock-piles.

With average yields, total production of 143 million pounds, green weight, is expected.

Flue-cured Tobacco.—Despite shortages in production and curing supplies the 1946 crop of flue-cured leaf exceeded all previous records. Even with this heavy crop domestic manufacturers will not be able to improve their stock position by more than two or three months duration which is largely due to the increase in current export quotas. The 1947 crop should provide for fourteen months domestic requirements and a 50 per cent increase for export shipments. This year an area of 102,150 acres of flue-cured tobacco is recommended.

TABLE 59.—FLUE-CURED TOBACCO ACREAGE AND RECOMMENDATIONS FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946 Estim- ated	1947 Recom- mended	1947 of 1946
—	ac.	ac.	ac.	ac.	ac.	%
CANADA.....	50,720	70,295	77,068	95,938	102,150	106
Quebec.....	1,660	4,513	4,594	5,000	.....	.....
Ontario.....	48,800	65,615	72,344	90,787	.....	.....
British Columbia.....	260	167	130	151	.....	.....

SUPPLY SITUATION
(Crop year October 1 to September 30)

—	Average 1935-39	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-48 Estim- ated
000 standard pounds					
Stocks at beginning.....	38,456	78,427	74,554	74,186	90,302
Production.....	49,156	60,356	68,362	99,116	107,012
Imports.....	3,503	110	21	.....	.....
Total supplies.....	91,115	138,893	142,937	173,302	197,314
Exports.....	11,331	11,288	9,513	23,000	33,000
Available for manufacture.....	79,784	127,605	133,424	150,302	164,314
Taken for manufacture.....	31,245	53,090	59,238(a)	60,000	.....
Stocks at end of year.....	48,539	74,515	74,186(a)	90,302	.....

(a) Subject to revision.

Burley Tobacco.—The current season's production of burley approximated only one year's domestic requirements. A half-million pounds were made available for export and resulted in an additional strain on the domestic supply. The 1947 crop should provide for some 16 or 17 months' supply for domestic purposes and an additional two million pounds for export, and therefore it is recommended that 15,000 acres be planted to burley.

TABLE 60.—BURLEY TOBACCO ACREAGE AND RECOMMENDATIONS FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946 Esti- mated	1947 Recom- mended	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
CANADA (Ontario).....	8,610	8,481	9,442	14,000	15,000	107

SUPPLY SITUATION
(Crop year October 1 to September 30)

—	Average 1935-39	Average 1943-45	1945-46	1946-47 Prelim- inary	1947-48 Esti- mated
000 standard pounds					
Stocks at beginning of year.....	16,741	11,520	9,949	8,455	8,515
Production.....	11,657	8,657	8,570	9,560	13,738
Imports.....					
Total supplies.....	28,398	20,177	18,519	18,015	22,253
Exports.....	2,044	1,671	1,351	500	.....
Available for manufacture.....	26,354	18,506	17,168	17,515	.....
Taken for manufacture.....	10,119	8,905	8,713	(a) 9,000	.....
Stocks at end	16,235	9,061	8,455	(a) 8,515	.....

(a) Subject to revision

Dark Tobacco.—The demand for dark tobacco is mostly domestic. The 1946 acreage was sufficient for all requirements and, with average yield, the same acreage should prove adequate for 1947.

TABLE 61.—DARK TOBACCO ACREAGE AND RECOMMENDATIONS FOR 1947

—	Average 1935-39	Average 1943-45	1945	1946 Esti- mated	1947 Recom- mended	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
CANADA (Ontario).....	2,620	1,184	1,354	2,000	2,000	100

SUPPLY SITUATION
(Crop year October 1 to September 30)

—	Average 1935-39	Average 1943-45	1945-46	Prelim- inary 1946-47	Esti- mated 1947-48
000 standard pounds					
Stocks at beginning.....	2,444	2,000	1,476	1,327	1,526
Production.....	2,429	1,085	1,224	1,899	1,900
Imports.....			4	.....
Total supplies.....	4,873	3,085	2,704	3,226	3,426
Exports.....	845	412	257	500	.....
Available for manufacture.....	4,028	2,673	2,447	2,726	.....
Taken for manufacture.....	1,240	1,158	1,120	(a) 1,200	.....
Stocks at end	2,788	1,515	1,327	(a) 1,526	.....

(a) Subject to revision

Cigar Tobacco.—The decrease in production of cigar leaf in the past few years and the increase in factory output of cigars has created a serious shortage in cigar leaf available for domestic use. Consequently large quantities have been imported. In order to correct this trend and to provide for greater supplies of domestic leaf and also to recapture limited export outlets 5,000 acres are recommended for 1947.

TABLE 62.—CIGAR TOBACCO ACREAGE AND RECOMMENDATIONS FOR 1947

	Average 1935-39	Average 1943-45	1945	1946 Esti- mated	1947 Recom- mended	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
CANADA	4,410	2,714	3,093	4,200	5,000	119
Quebec.....	4,410	2,714	3,093	3,600	.....	.....
Ontario.....				600	.....	.....

SUPPLY SITUATION
(Crop year October 1 to September 30)

	Average 1935-39	Average 1943-45	1945-46	Prelim- inary 1946-47	Esti- mated 1947-48
000 standard pounds					
Stocks at beginning.....	5,329	5,082	4,206	5,128	5,928
Production.....	2,984	2,738	3,503	3,900	4,257
Imports.....	588	1,126	1,520	1,500	.....
Total supplies.....	8,901	8,946	9,229	10,528	10,185
Exports.....	36	237	.....	100	.....
Available for manufacture.....	8,865	8,709	9,229	10,428	.....
Taken for manufacture.....	3,251	4,101	4,101	(a) 4,500	.....
Stocks at end.....	5,614	4,608	5,128	(a) 5,928	.....

(a) Subject to revision.

Pipe Tobacco.—The acreage of this type recommended for 1946 was not reached, yet supplies were apparently adequate. For 1947 only a slight increase in commercial acreage is recommended.

TABLE 63.—PIPE TOBACCO ACREAGE AND RECOMMENDATIONS FOR 1947

	Average 1935-39	Average 1943-45	1945	1946 Esti- mated	1947 Recom- mended	1947 of 1946
	ac.	ac.	ac.	ac.	ac.	%
CANADA (Quebec)	3,060	1,586	2,188	2,250	2,500	111

SUPPLY SITUATION
(Crop year October 1 to September 30)

	Average 1935-39	Average 1943-45	1945-46	Prelim- inary 1946-47	Esti- mated 1947-48
000 standard pounds					
Stocks at beginning.....	1,895	1,131	1,084	1,505	1,811
Production.....	2,300	1,376	1,690	1,706	1,645
Imports.....	.....	.....	.....	.....	.....
Total supplies.....	4,195	2,507	2,774	3,211	3,456
Exports.....	690	192	.....	.....	.....
Available for manufacture.....	3,505	2,315	2,774	3,211	.....
Taken for manufacture.....	1,726	1,165	1,269	(a) 1,400	.....
Stocks at end.....	1,779	1,150	1,505	(a) 1,811	.....

(a) Subject to revision.

SEEDS

Ceiling prices were removed from all seeds in July, 1946, except field peas and field beans other than of registered and certified grades. This action was taken because supplies of practically all kinds of seeds were considered ample to meet Canadian requirements. Because of sufficient domestic supply, control of many items of seed for export was lifted in August, 1946. This meant that export permits were no longer required except for cereals, field peas and field beans, corn and some forage seeds. Red clover, alsike clover and alsike-white clover mixture, remain under international allocation, while alfalfa, Kentucky blue grass and Canada blue grass are in strong world demand. Because of these conditions, export permits are still required for these kinds.

The Seed Export Office, which for the past three years has been the sole exporter of certain forage seeds, was closed August 31, 1946. It was felt that conditions were such that the export of those seeds could be put back into the hands of the seed trade.

No recommendations were made with respect to seed for the production of cereals, oil-bearing crops, field beans and peas, fibre flax and corn, since seed can be recovered from commercial production to provide ample supplies. The 1946 production of these crops, grown exclusively for seed, was satisfactory, with the exception of field beans, in which disease was rather severe. Regardless of this situation however, it was felt that sufficient seed of field beans would be available.

HAY AND PASTURE SEED CROPS

Alfalfa.—Because the world supply of alfalfa seed is considered sufficient to meet requirements, further international allocation is not considered necessary. Canadian grown seed is, however, in strong demand for the northern states of the U.S.A. and some northern European countries.

Due to undesirable harvesting weather and early frost in Western Canada, production in 1946 is placed at about two million pounds less than 1945, and there is insufficient seed to meet full export demand. Notwithstanding increased world production it was considered, because of the hazard of production, that the objective set for 1946 should not be changed and that alfalfa seed should continue to be produced in quantities sufficient to meet future export demand and domestic consumption.

TABLE 64.—ALFALFA SEED PRODUCTION AND RECOMMENDATIONS FOR 1947

	Average 1943-45	1945	1946	1947	1947 of 1946
000 pounds					
CANADA	8,139	10,362	7,712	12,000	156
Quebec.....	3	5	.....	.....	.....
Ontario.....	737	207	662	.....	.....
Manitoba.....	1,066	1,200	1,500	.....	.....
Saskatchewan.....	2,801	2,500	1,000	.....	.....
Alberta.....	3,416	6,300	4,000	.....	.....
British Columbia.....	116	150	550	.....	.....

TABLE 64.—ALFALFA SEED PRODUCTION AND RECOMMENDATIONS FOR 1947—*Concluded*
 SUPPLY SITUATION
 (Crop year ending June 30)

—	Average 1943-45	1945-46	1946-47 Prelim- inary
000 pounds			
Stocks at beginning of year.....	495	780	1,081
Production.....	8,139	10,362	7,712
Imports.....			
Total supplies.....	8,635	11,142	8,793
Exports.....	3,567	5,140	3,000
Available for domestic use.....	5,067	6,002	5,793

Alsike Clover.—Production of alsike clover seed in Canada in 1946 was not large enough to meet both domestic requirements and export demand. Canada was the chief country exporting alsike clover seed in 1946, when world requirements exceeded supply by a considerable margin. In many pre-war years, exports exceeded the total current production. In view of this, it would appear that there is a potential export demand that would justify increased production.

TABLE 65.—ALSIKE CLOVER SEED PRODUCTION AND RECOMMENDATIONS FOR 1947

—	Average 1943-45	1945	1946	1947	1947 of 1946
000 pounds					
CANADA	3,317	3,286	4,097	7,000	171
Quebec.....	83				
Ontario.....	2,276	1,761	2,107		
Manitoba.....	71	100	150		
Saskatchewan.....	19	45	100		
Alberta.....	675	1,250	1,250		
British Columbia.....	193	130	490		

SUPPLY SITUATION

(Crop year ending June 30)

—	Average 1943-45	1945-46 ¹	1946-47 prelim- inary
000 pounds			
Stocks at beginning of year.....	439	350	440
Production.....	3,317	3,286	4,097
Imports.....			
Total supplies.....	3,756	3,636	4,537
Exports.....	483	656	1,800
Available for domestic use.....	3,272	2,980	2,737

Red Clover.—World supply of red clover in 1946 was only sufficient to meet sixty per cent of requirements. Canadian grown seed is preferred by many countries, and export demand has continued strong notwithstanding the fact that production in 1946 was about three million pounds more than in 1945. This would justify increased production for 1947.

TABLE 66.—RED CLOVER SEED PRODUCTION AND RECOMMENDATIONS FOR 1947

—	Average 1943-45	1945	1946	1947	1947 of 1946
000 pounds					
CANADA	7,172	5,260	8,855	10,000	113
Maritime Provinces.....	10	10	5	.....	.....
Quebec.....	1,497	600	325	.....	.....
Ontario.....	4,377	2,500	6,800	.....	.....
Manitoba.....	70	200	100	.....	.....
Saskatchewan.....	47	100	200	.....	.....
Alberta.....	808	1,500	1,000	.....	.....
British Columbia.....	363	450	425	.....	.....

SUPPLY SITUATION

(Crop year ending June 30)

—	Average 1943-45	1945-46	1946-47 prelim- inary
000 pounds			
Stocks at beginning of year.....	664	1,009	535
Production.....	7,839	5,260	8,855
Imports.....	9	.....	.....
Total supplies.....	7,846	6,269	9,390
Exports.....	1,108	881	3,500
Available for domestic use.....	6,738	5,388	5,890

Sweet Clover.—Production of sweet clover in 1946 was below that of a year ago by about three million pounds. Export in 1945 was considerably above that of recent years and would appear to be abnormal. In view of United States production being about equal to that of last year, but reported as 28 per cent below average, it was felt that recommended production should remain unchanged.

TABLE 67.—SWEET CLOVER SEED PRODUCTION AND RECOMMENDATIONS FOR 1947

—	Average 1943-45	1945	1946	1947	1947 of 1946
000 pounds					
CANADA	9,605	11,113	8,423	8,000	95
Ontario.....	752	523	273	.....	.....
Manitoba.....	4,233	4,250	2,500	.....	.....
Saskatchewan.....	1,045	1,000	1,500	.....	.....
Alberta.....	3,500	5,250	4,000	.....	.....
British Columbia.....	75	90	150	.....	.....

SUPPLY SITUATION

(Crop year ending June 30)

—	Average 1943-45	1945-46	1946-47 prelim- inary
000 pounds			
Stocks at beginning of year.....	1,253	1,433	930
Production.....	9,606	11,113	8,423
Imports.....	.....	.....	.....
Total supplies.....	10,859	12,551	9,353
Exports.....	8,101	11,061	7,000
Available for domestic use.....	2,425	1,490	2,353

Timothy.—While production of timothy seed in Canada in 1946 did not reach the record amount harvested in 1945, there were sufficient supplies to meet normal domestic requirements. In addition, some seed has been available for export. The possibility of relatively high prices prevailing for clovers and alfalfa may increase domestic consumption of timothy seed.

TABLE 68.—TIMOTHY GRASS SEED PRODUCTION AND RECOMMENDATIONS FOR 1947

—	Average 1943-45	1945	1946	1947	1947 of 1946
000 pounds					%
CANADA	13,703	15,135	13,352	15,000	112
Maritime Provinces.....	175	125	60	.....	.....
Quebec.....	3,498	3,500	3,250	.....	.....
Ontario.....	8,332	9,645	8,300	.....	.....
Manitoba.....	193	400	400	.....	.....
Saskatchewan.....	10	15	15	.....	.....
Alberta.....	1,068	1,000	500	.....	.....
British Columbia.....	427	450	827	.....	.....

SUPPLY SITUATION

(Crop year ending June 30)

—	Average 1943-45	1945-46	1946-47 prelim- inary
000 pounds			
Stocks at beginning of year.....	3,841	2,959	3,028
Production.....	13,703	15,135	13,352
Imports.....	1,409	240	500
Total supplies.....	18,954	18,334	16,880
Exports.....	2,093	4,018	2,000
Available for domestic use.....	16,861	14,316	14,880

Brome Grass.—Canadian production of brome grass seed in 1946 was about equal to that of 1945. As in the past few years, considerably more than enough to meet Canadian requirements was produced. With export demand to the United States continuing strong and with the American crop last season much smaller than in recent years, it was recommended that 1947 production level remain near that set for 1946.

TABLE 69.—BROME GRASS PRODUCTION AND RECOMMENDATIONS FOR 1947

—	Average 1943-45	1945	1946	1947	1947 of 1946
000 pounds					%
CANADA	10,528	10,057	9,800	8,000	82
Manitoba.....	2,668	3,000	1,300	.....	.....
Saskatchewan.....	3,811	3,000	3,500	.....	.....
Alberta.....	4,000	4,000	5,000	.....	.....
British Columbia.....	49	57	.....	.....	.....

TABLE 69.—BROME GRASS PRODUCTION AND RECOMMENDATIONS FOR 1947—*Concluded*
 SUPPLY SITUATION
 (Crop year ending June 30)

—	Average 1943-45	1945-46	1946-47 prelim- inary
000 pounds			
Stocks at beginning of year.....	753	814	656
Production.....	10,528	10,057	9,800
Imports.....			
Total supplies.....	11,244	10,871	10,456
Exports.....	6,762	7,928	8,000
Available for domestic use.....	4,482	2,943	2,456

Crested Wheat Grass.—Production of crested wheat grass seed was practically unchanged from 1945. There is an increasing domestic demand for this seed and, with American production considerably reduced from recent years, there should be a demand for any exportable surplus up to about one and a quarter million pounds.

TABLE 70.—CRESTED WHEAT GRASS PRODUCTION AND RECOMMENDATIONS FOR 1947

—	Average 1943-45	1945	1946	1947	1947 of 1946
000 pounds					
CANADA	2,003	1,150	1,110	2,000	180
Manitoba.....	214	200	50	.....	.....
Saskatchewan.....	1,534	750	1,000	.....	.....
Alberta.....	250	200	50	.....	.....
British Columbia.....	5	.....	10	.....	.....

SUPPLY SITUATION
 (Crop year ending June 30)

—	Average 1943-45	1945-46	1946-47 prelim- inary
000 pounds			
Stocks at beginning of year.....	432	586	92
Production.....	2,003	1,150	1,110
Imports.....			
Total supplies.....	2,243	1,736	1,202
Exports.....	1,051	1,081	600
Available for domestic use.....	1,141	655	602

Other Grasses.—Total production in 1946 of the less widely grown grasses listed in the table was somewhat below that of 1945. A marked reduction was most evident in the case of Kentucky blue grass and creeping red fescue. Canada blue grass seed production was the largest in recent years but, due to the shortage of Kentucky blue grass and creeping red fescue, there has been a ready market. Domestic requirements will exceed production of both Kentucky blue and creeping red fescue. In addition, export demand to the United States is very strong. In view of this demand, it was considered that over-production was unlikely, and 1946 recommendations were unchanged.

TABLE 71.—OTHER GRASS SEED PRODUCTION AND RECOMMENDATIONS FOR 1947

—	Average 1943-45	1945	1946	1947	1947 of 1946
000 pounds					
CANADA.....	985	1,742	1,088	.....	%
Canada blue grass.....	263	275	420	350	83
Kentucky blue grass.....	195	500	120	500	416
Creeping red fescue.....	465	851	414	800	193
Meadow fescue.....	49	100	112	150	134
Orchard grass.....	13	16	22	50	228

SUPPLY SITUATION

(Crop year ending June 30)

—	Average 1943-45	1945-46	1946-47 prelim- inary
000 pounds			
Stocks at beginning of year.....	(a) 219	212	279
Production.....	985	1,742	1,088
Imports.....	436	270	100
Total supplies.....	1,590	2,291	1,367
Exports.....	215	353	150
Available for domestic use.....	1,341	1,838	1,217

(a) 2 year average.

Garden Vegetable and Field root Seed Crops.—In the war years the Government undertook to stimulate vegetable and root seed production in an effort to replace normal imports from Europe, to meet an increased domestic demand, and to assist in supplying the needs of the United Kingdom and allied countries. This was done chiefly by contracts with growers at guaranteed prices. Since the situation which existed during the war period is not now considered critical, it is not proposed to enter into any new contracts.

In view of this situation, it was felt that no specific recommendations could be made, and Canadian producers should be advised to produce only those quantities, kinds and varieties for which definite contracts can be obtained.

TABLE 72.—GARDEN VEGETABLE AND FIELD ROOT SEED PRODUCTION

Kind	Average 1943-45	1945	1946
	lb.	lb.	lb.
Beans.....	755,947	820,225	997,480
Beets.....	60,300	67,080	57,450
Cabbage.....	7,837	12,085	13,710
Carrot.....	207,232	310,650	211,650
Cauliflower.....	4,132	1,745	1,145
Corn.....	548,582	552,645	1,058,600
Cucumber.....	11,607	9,950	22,150
Leek.....	4,092	1,520	2,110
Lettuce.....	34,432	53,140	69,400
Mangel.....	190,808	99,380	81,100
Muskmelon.....	632	1,100	2,000
Onion.....	282,175	363,980	251,540
Parsnip.....	24,237	16,050	13,150
Peas.....	11,998,592	13,160,000	15,800,000
Pepper.....	283	255	255
Pumpkin.....	2,125	2,100	3,650
Radish.....	189,313	163,650	171,160
Spinach.....	46,878	49,700	29,900
Squash and Marrow.....	11,532	10,810	15,450
Swede.....	115,240	100,600	40,600
Tomato.....	8,393	6,835	5,400
Watermelon.....	365	410	1,000

TABLE 73.—GARDEN VEGETABLE AND FIELD ROOT SEED SUPPLY SITUATION 1945-46
(Crop year ending June 30—Final)

Kind	Stocks at beginning of Period	Production	Imports	Total Supply	Exports	Available for Domestic Use
	lb.					lb.
Beans.....	453,981	802,225	1,009,797	2,266,003	203,872	2,062,131
Beet.....	94,144	67,080	65,388	226,622	54,426	172,196
Cabbage.....	19,983	12,085	22,941	55,009	5,857	49,152
Carrot.....	90,349	310,650	41,590	442,539	191,368	251,221
Cauliflower.....	1,972	1,745	2,316	6,033	4	6,029
Corn.....	493,908	552,645	991,031	2,037,584	54,350	1,983,234
Cucumber.....	42,981	9,950	45,386	98,317	7,702	90,615
Leek.....	1,946	1,520	592	4,058	1,399	2,659
Lettuce.....	27,709	53,140	25,981	106,830	44,215	162,615
Mangel.....	287,153	99,380	84,104	470,637	241,337	229,300
Muskmelon.....	3,971	1,100	5,385	10,456	.....	10,456
Onion.....	61,497	363,960	29,032	454,489	344,320	110,169
Parsnip.....	31,692	16,050	8,304	56,046	2,040	53,996
Peas.....	2,196,351	13,160,000	4,347,168	19,703,519	2,260,673	17,442,846
Pepper.....	655	255	687	1,597	.....	1,597
Pumpkin.....	11,448	2,100	4,596	18,144	.....	18,144
Radish.....	62,709	163,650	55,982	282,341	108,611	173,730
Spinach.....	66,217	49,700	27,573	143,490	7,003	136,487
Squash and Marrow.....	19,121	10,810	8,488	38,419	6,693	31,726
Swede.....	322,138	100,600	39,941	462,679	6,840	455,839
Tomato.....	7,873	6,835	6,151	20,859	1,017	19,842
Watermelon.....	3,512	410	7,690	11,612	.....	11,612

TABLE 74.—GARDEN VEGETABLE AND FIELD ROOT SEED SUPPLY SITUATION 1946-47
(Crop year ending June 30—Preliminary)

Kind	Stocks at beginning of Period	Production	Imports	Total Supply	Exports	Available for Domestic Use
	lb.					lb.
Bean.....	414,495	997,480	1,000,000	2,411,975	200,000	2,211,975
Beet.....	51,177	57,450	60,000	168,627	100,000	68,627
Cabbage.....	27,109	13,710	15,000	55,819	8,000	47,819
Carrot.....	154,886	211,650	50,000	416,536	50,000	366,536
Cauliflower.....	2,565	1,145	1,000	4,710	.....	4,710
Corn.....	223,266	1,058,600	800,000	2,081,866	.....	2,081,866
Cucumber.....	21,250	22,150	40,000	83,400	.....	83,400
Leek.....	869	2,110	500	3,479	.....	3,479
Lettuce.....	15,977	69,400	30,000	115,377	40,000	75,377
Mangel.....	78,781	81,100	50,000	209,881	.....	209,881
Muskmelon.....	4,812	2,000	5,000	11,812	.....	11,812
Onion.....	48,225	251,540	30,000	329,765	12,000	317,765
Parsnip.....	12,185	13,150	10,000	35,335	.....	35,335
Peas.....	1,295,746	15,800,000	3,000,000	20,095,746	1,800,000	18,295,746
Pepper.....	718	255	500	1,473	.....	1,473
Pumpkin.....	5,455	3,650	4,000	13,105	.....	13,105
Radish.....	70,278	171,160	50,000	291,438	65,000	226,438
Spinach.....	69,542	20,900	25,000	115,442	.....	115,442
Squash and Marrow.....	13,454	15,450	10,000	38,904	7,000	31,904
Swede.....	183,521	40,600	40,000	264,121	15,000	249,121
Tomato.....	9,893	6,835	5,000	21,728	21,728
Watermelon.....	3,724	1,000	4,000	8,724	8,724

OTTAWA
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KING'S PRINTER AND CONTROLLER OF STATIONERY
1947

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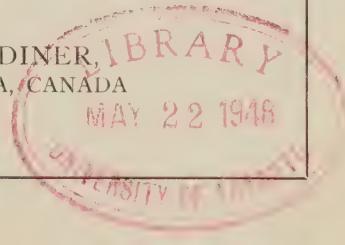


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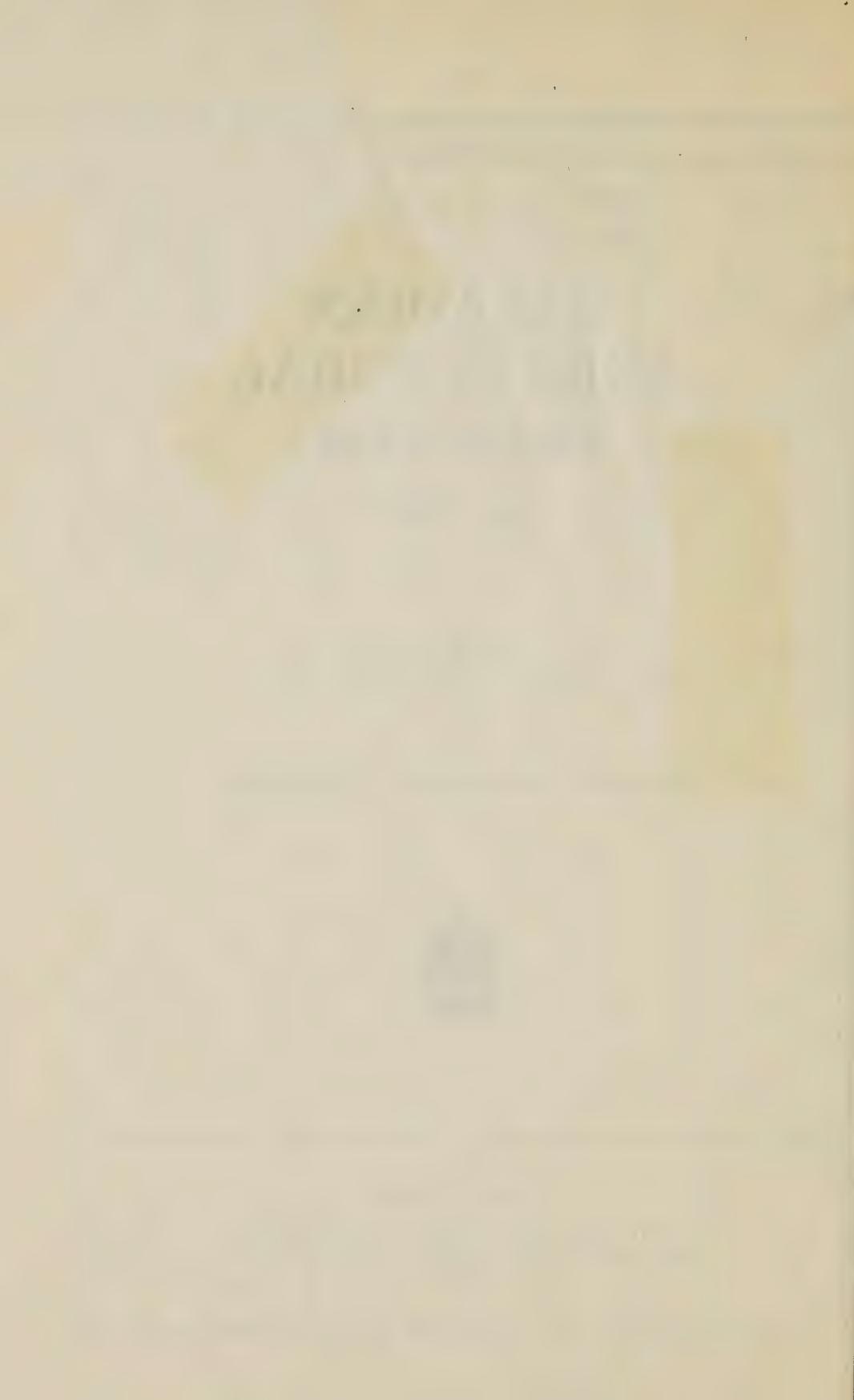


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INTRODUCTION¹

The annual Dominion-Provincial Agricultural Conference composed of Dominion and Provincial agricultural officials and representatives of the Canadian Federation of Agriculture was held in Ottawa, December 1-3, 1947, to consider a program for Canadian agriculture in 1948. The general conclusion of the Conference was expressed by the Right Honourable James G. Gardiner, Dominion Minister of Agriculture when he said that he believed the viewpoint of those present was that Canadian farmers should plan on a program for 1948 about the same as that undertaken in 1947.

While during the war and immediate post-war period all food that could be provided for export by Canada was in urgent demand, the Minister suggested that the time may have arrived when Canada can no longer proceed on the assumption that there is an unlimited outlet for all her agricultural products.

In order to meet the most urgent needs of wartime demand it had been possible to recommend a definite agricultural program to the farmers of Canada. With a return to more normal conditions it was felt that there should be less need for the kind of direction offered during the war and immediate post-war period. While there is a need for more food the world over it was the belief of the Canadian government that farmers of this country should be given the best available information and a free hand to make their own individual production plans.

Information presented at the Conference indicated that important adjustments had been made in Canadian agriculture in recent years. The acreage seeded to wheat, for instance, had been increased by almost 50 per cent from the low point reached during the war. The production of meat animals, notably pigs, had declined appreciably. A decrease had also taken place in the acreage and production of feed grains, particularly oats. Less significant changes have occurred in the production of other products. It was considered that, while the swing away from the wartime program may have gone too far in the case of some products, it was to be expected that important shifts would occur as the pattern of production in various countries took on more of its prewar semblance. On the whole, however, the adjustments that have been made in Canadian agriculture have tended to restore the industry to a peace-time balance.

The Conference was reminded that since the end of the war most of the controls imposed on agriculture, and on the rest of the nation's economy, had been removed. The removal of restrictions, in the opinion of many delegates to the Conference, had not been without some unfavourable results. There was considerable discussion about the increased cost of producing livestock and livestock products which had resulted from the removal of price ceilings and the subsequent increases in the prices of feeding stuffs. In this connection the Dominion Minister of Agriculture gave assurance that action would be taken which would result in increased prices for products produced from grain.

The continuation of contracts for the sale of farm products was an important consideration. Negotiations between Canadian and United Kingdom officials relating to the sale of bacon, beef, eggs and cheese were being conducted at the time of the Conference and have since been concluded. These contracts provide for the payment by the United Kingdom of substantially higher prices for the products mentioned. The new prices are related to the higher costs to which reference has been made. The extension of these contracts, together with the wheat contract which has two more years to run, provides an assured outlet for the products involved.

¹ Certain of the statistical data presented in this report are based on preliminary estimates and are subject to revision.

The statements presented to the Conference included special reviews of the domestic and foreign situations as they may affect Canadian agriculture in 1948. These were followed by reports on farm labour, fertilizers, farm equipment, feeding stuffs and on the various products grown on Canadian farms. These statements, amended in some respects as a result of Conference discussion and subsequent information on export contracts, are included in this report. They are preceded by a summary which will enable anyone to obtain a picture of what may be in store for Canadian agriculture in the year ahead. A study of this summary and the more detailed reports on the particular products in which they are interested should be of assistance to farmers in planning their production and marketing programs.

The World Agricultural Situation.—A review of the world agricultural situation indicates that the serious world food deficit has been greatly accentuated as a result of adverse weather and the deterioration of crop conditions in many areas during the past year. The supply situation for bread grains is particularly serious. The problem of shortages is complicated by the geographical distribution of current production and by the lack of purchasing power of deficit countries. The export demand for farm products in 1948 will be conditioned by economic developments in many parts of the world, especially Europe, and by progress made in solving the problem of international exchange.

The Domestic Situation.—The general economic situation in Canada during 1947 was characterized by a continued expansion of productive activity. It is estimated that a high level of employment and income can reasonably be expected during 1948, with a resultant strong domestic demand for farm products. Farm operating expenditures are likely to be higher in 1948 but any such increase will be accompanied by higher prices for farm products with the result that, with average production, net farm income should be as high as in 1947.

Farm Labour.—The farm labour situation was substantially improved during 1947 as a result of the continued operation of the Dominion-Provincial Farm Labour Program. The seasonal movement of surplus labourers between areas in Canada and between Canada and the United States assisted in meeting temporary shortages, while the placing of immigrants from Europe on farms has substantially increased the farm labour force. This program will be continued through 1948 and consideration is being given to further bulk movements of workers from Europe.

Farm Equipment.—As a result of increases in both domestic production and imports, the supply of farm equipment in Canada in 1947 was 30 per cent greater than that of 1946. Minimum Canadian requirements of farm equipment in 1948 are placed at 110 per cent of the 1947 supply. While there would appear to be reasonable assurance that the Canadian import requirements for farm equipment in 1948 will be met, the situation with respect to domestic production has not been fully clarified but it is anticipated that it will be sufficient to meet requirements.

Fertilizers.—Due to the large production of nitrogen in Canada there should be no shortage for domestic use of ammonium nitrate, ammonium sulphate, 16-20 ammonium phosphate and cyanamid. While an increase in the supply of 11-48 ammonium phosphate for the prairies has been arranged it is uncertain as to whether it will be sufficient to meet the increasing demand in that area. Except for the Prairie Provinces the total phosphate supply would seem to be fairly satisfactory for next spring's requirements and the estimated potash requirements appear to be assured. Indications point to increased prices for most fertilizer during the 1948 season.

Grain and Forage Crops.—The Conference suggested that farmers might well endeavour to plan their 1948 field crop production on the basis of their

accomplishments in 1947. At the same time it was recognized that over much of Eastern Canada particularly, farmers were unable, due to adverse weather conditions, to realize their full intentions with regard to the seeding of coarse grains in 1947. In view of this, increased acreages of these grains in Eastern Canada may reasonably be anticipated.

Feeds.—Due principally to the increased 1947 flaxseed crop, protein feed supplies in Canada in 1948 should show some slight improvement over 1947 levels. The short soybean crop and the difficulty of obtaining imports of this feed may, however, react unfavourably on poultry feeders and poultry feed producers who use soybean oilcake and meal in their mixes.

The short 1947 Canadian wheat crop will leave smaller amounts of wheat available to the milling industry. It is estimated that millfeed production during the crop year 1947-48, may be down some 15 per cent from the 1946-47 level.

Livestock and Meats.—Total meat production in Canada in 1947 fell 6 per cent below the 1946 level. Domestic consumption remained about the same as last year but exports were reduced substantially. Hog marketings increased slightly over 1946 but cattle marketings declined 21 per cent, veal calf marketings declined 11 per cent, and sheep and lambs declined 32 per cent.

Total meat production in 1948 is expected to be slightly below the production of 1947. This is due to anticipated declines in sheep and lamb marketings of 25 per cent and a 5 per cent decline in hog marketings. With domestic requirements at the 1947 level, exportable surpluses are estimated at about 10 per cent below last year's exports.

Dairy Products.—The 1947 production of milk in Canada was just over 17 billion pounds and is expected to be about the same in 1948.

The uptrend in creamery butter production is expected to continue in 1948.

Cheddar cheese production has shown a downward trend during the past two years and it is possible that this decline may continue in 1948. However, it is expected that production will be sufficient to meet domestic requirements and the 50 million pounds contracted for shipment to the United Kingdom. Prices under this contract are increased to 30 cents per pound.

It is expected that the production of concentrated milk products will remain at about the same levels in 1948 as in 1947.

Eggs and Poultry.—Present poultry flocks are ample to maintain egg production through the first half of 1948 at the 1947 levels. Stability of the egg market in 1948 is assured by the United Kingdom contract which calls for 80 million dozen eggs at substantially higher prices.

Fruits and Vegetables.—With normal weather in the various growing areas, larger fruit crops generally are expected in Canada in 1948. There may be small decreases for strawberries and grapes, which were produced in relative abundance in 1947. The increases for the other fruits are expected to vary from 6 per cent in the case of pears to 26 per cent for peaches. The apple crop outlook is for a 19 per cent increase.

Potato acreage at the same level as in 1947 (494,400 acres) will probably provide a crop sufficient for normal domestic and export needs, without likelihood of problems of surplus.

The outlook for vegetable canning crops is for acreages fairly close to those of 1947 with perhaps some small increases and decreases. There is reason to expect more nearly normal growing conditions, with considerably larger packs in 1948.

Other Crops.—It was considered that 1947 acreages of tobacco, flaxseed, rapeseed, dried beans and dried peas should be maintained during 1948. In the case of soybeans, sunflower seed, husking corn, sugar beets and fibre flax some increase was thought to be desirable.

THE WORLD AGRICULTURAL SITUATION

The serious world food deficit has been greatly accentuated as a result of hazardous weather and the deterioration of crop conditions in many areas. While the world population in 1947-48 will be nearly 200 million or 8 per cent above prewar, food production during the current year will be appreciably lower. The supply situation for bread grains is particularly serious. No substantial increase in fat rations is in prospect. The unprecedented drought in Europe during the past summer reduced the yield of potato and sugar beet crops. Forage crops also declined sharply and this will result in lower supplies of milk. The problem of shortages is complicated by the lack of purchasing power of deficit countries, some of which have not been able to take up even the meager allocation of certain foods made by the International Emergency Food Council.

The demand for farm products in the United States is expected to remain strong during 1948 and, while the possibility of some recession in prices following 1948 is admitted, no sharp decline in farm income is anticipated.

The Situation Abroad

The Supply Position.—Following a winter of record severity with frosts destroying much of the winter grain, Western Europe experienced a disastrous drought during the past summer. Owing to partial crop failures, especially in Europe, imports of about 39 million metric tons are needed in 1947-48 if a decrease in bread and cereal rations is to be avoided. According to the most recent estimates only 29 million tons are available from surplus-producing countries. This shortage is intensified by the geographical distribution of the current year's production. Exclusive of Russia, wheat and rye production in Europe is more than 6 million tons less than last year. Although the production of these grains is correspondingly higher in North America this is offset by the decline in the United States corn crop. Recent estimates place the Australian wheat crop at about 3 million tons above last year but this too will be largely offset by a decline in production in Turkey, India and Argentina. The decline in rice production in the Far East has resulted in an increase of several million tons in the requirements for other bread cereals. Apart from the demand consequent on the rapidly increasing population, the Rice Conference convened by FAO at Trivandrum, India, concluded that continuing deficits of rice would exist at least through 1951.

Prospects for supplies of animal feedstuffs for the next twelve months are described by the International Emergency Food Council as "grim in the extreme". Allocations for livestock feeding will be limited to such supplies as are actually unfit for human consumption. Efforts to increase the indigenous collections of grains for use in the bread ration, in addition to the poor crops, will further reduce the amount available for livestock. Forage of all kinds will be in short supply and there is little prospect that oilcake supplies will be appreciably better than last year.

The livestock situation is no less critical than that of cereals. Cattle numbers in Europe had recovered to about 90 per cent of prewar by the beginning of 1947. Encouraged by favourable prices for livestock products herds had been rebuilt at a rate greater than was justified by the world cereal shortage. However, poor pastures and lack of imported feedstuffs are forcing farmers in the Netherlands, Belgium, Denmark, Austria, Eire and other European countries to slaughter livestock at a higher than normal rate. Similarly, a lack of concentrated feeds may cause an even greater reduction in hog numbers. Midsummer census figures showed small increases in Switzerland, Denmark and the United Kingdom Zone of Germany but considerable decline in Eire, Belgium and the

Netherlands. In January, 1947, the world sheep population was 6 per cent below the 1936-40 average. In Europe numbers are 20 per cent below prewar. Although there has been some expansion in South America, in Australia sheep numbers were 17 per cent below prewar in March of this year. In New Zealand they were about 10 per cent above 1934-38.

The supply of oils and fats is anticipated as being lower in 1947-48. Linseed acreage in Argentina is 14 per cent below that of a year ago and 34 per cent below 1939. In practically every European country the slaughter of livestock is likely to decrease the production of butter and animal fats.

Governmental measures to alleviate the critical food situation have been taken in almost every country. Targets have been established in the United Kingdom for increasing agricultural production by one hundred million pounds sterling (20 per cent above 1946-47) through increased efficiency and expansion. Livestock is being voluntarily curtailed in Denmark and the Netherlands and slaughter programs have been introduced in the western zones of Germany. Italy and France are stressing cereal production and offering a variety of inducements to farmers.

Under pre-war conditions much of Western Europe's supply of cereals came from Eastern Europe, particularly from the Danube basin. In addition to wartime destruction, the policies in effect in Eastern Europe relative to land reform and the emphasis on peasant, livestock and industrial crop farming appear to have curtailed the possibility of such exports being resumed on an appreciable scale for some years. Western Europe is, therefore, left as a bread grain deficit area which must look to the Americas for its supplies.

Demand.—On the basis of need, a strong demand exists in all food deficit countries for imports of foodstuffs. Effective demand, however, is in most cases determined by the availability of foreign exchange and the majority of countries are forced to control rigidly the quantities and types of goods which may be imported. The limited industrial export capacity of the food deficit countries and the rapid exhaustion of credits, grants and other payment resources are the main factors limiting vital food imports. During the first half of 1947, France, Belgium, Italy, Switzerland, Sweden and Finland were forced to waive all or part of their meat allocations, with France, Austria and Sweden withdrawing their fourth-quarter requirements in total. Italy and Austria have also been unable to claim their full allocation of fats and oils.

The balance of payments estimated for 1948 by the Committee on European Economic Co-operation shows a total deficit with the American continent of \$8.03 billion dollars. This is not a new situation since the comparable deficit in 1938 amounted to \$1.45 billion dollars. Before the war, however, this adverse balance was offset by earnings on invisible account, by the sale of colonial produce to the United States and by earnings of dollars from sales to the rest of the world. The report of the Committee points out the disruption of this normal pattern. The solution of this problem through the medium of the European Recovery Program, comprised of long range rehabilitation loans and grants, is now before the United States Congress.

European nations will require agricultural imports to the full extent of their ability to pay for some years to come. Their primary aim is the maintenance of a level of subsistence based on bread grains. When this level is assured it is expected that an attempt will be made to rehabilitate the livestock industry with the assistance of imported feed grains.

The United States Agricultural Outlook for 1948

As summarized at the annual Outlook Conference in Washington during the first week of November, the demand for the farm products of the United States in 1948 seems likely to be about as strong as in 1947, although production

may be somewhat less. Prices in general are likely to average near current levels for most products for some months but larger crops at home and abroad may result in some downward adjustments in the latter half of the year. As usual, shifts in price relations are to be expected as a result of shifts in demand and changes in production.

Scarcity of dollar purchasing power in foreign countries will limit exports of some farm products while urgent needs and relief aid will strengthen the foreign market for other products. The gross farm income is likely to remain near the high level recorded for 1947, but costs will be higher. Consequently, the net income of farm operators in 1948 may be moderately below that of 1947.

Looking beyond 1948 recovery of production abroad will lessen the demand for American farm products and will call for production readjustments in the United States to correspond with the domestic demands and lower export requirements. This shifting of production resources will result in lower prices for many foodstuffs that are now high priced on account of exports and the high foreign demands for farm products will continue for many years to be stronger than in the early twenties.

Even though recovery of production abroad to about prewar average levels may be expected by 1950 it seems probable that the overall agricultural production can be maintained near present levels with some readjustments in the combination of products and with the average of prices declining not more than half as much as in the 1920-21 depression. Recent developments have definitely postponed adjustments in prices of many farm products to the lower postwar level until 1949 or 1950, depending primarily upon crop production at home and abroad.

Economic Situation in Canada—1947 and 1948

The year 1947 saw a continuation of the productive activity that characterized the previous six years. Canada's population continued to gain in numbers through natural increase and immigration. Total output was greater although unfavourable weather reduced agricultural production. Net national income was higher. Exports and imports expanded markedly. During most of the year, there were more jobs than applicants, and wage rates and earnings per capita rose. Prices received by farmers increased considerably. Retail sales expanded. On the other hand, the cost of living for city and farm people rose considerably. The most substantial increases, in the period between January and October, 1947, were in foods, clothing and home furnishings. This increase in the cost of living generally absorbed the gains in income.

Major policy developments, during the year 1947, include the continuation of decontrols, the Geneva tariff agreements, and the establishment of regulations for restricting imports, designed to improve Canada's U.S. dollar balance.

The outlook for 1948 is not clearcut. Many questions will have to remain unanswered until some decision is reached regarding financial assistance to Europe. The continuation of import restrictions will depend on how soon Canada can solve her dollar problem.

The Year 1947

Decontrol.—Although the policy of gradual removal of wartime restrictions was inaugurated about two years ago, most controls were kept in operation until the end of 1946. In the past year, however, the transition from wartime controls to a free market was accelerated.

The principal items remaining under price control, as of December 1, 1947, were: sugar and edible molasses, the more important varieties of canned fruits and vegetables, dried imported fruits, the more important oils and fats, wheat,

flaxseed, sunflower seed, some soap and soap-based detergents of all kinds, basic iron and steel products, and tin. Rental and eviction controls were still in effect.

External Trade.—In November of 1947, long-range and short-range policies of international trade were announced. The long-range policy was embodied in a multilateral agreement providing for reciprocal tariff reductions and greater opportunities for Canadian trade. Concessions secured by, and concessions granted by Canada, alike, cover wide fields in agriculture, other primary industries, and manufacturing. This policy paves the way for full international co-operation in maintaining high levels of employment and expanding economic activity.

The short-term policy—an emergency and temporary one—is designed to meet Canada's shortage in United States dollars. It provides for prohibition of certain imports, and for quota restrictions on others. It curbs pleasure travel in the United States. A bonus is to be provided for additional gold production. An excise tax is to be imposed on a wide range of durable consumer goods containing a high percentage of parts or materials which are imported from the United States. This policy will likely result in higher costs for many consumer items. On the other side are tax reductions intended to lower prices of some essential goods. The effect of the import restrictions will be to reduce considerably the level of imports, particularly from the United States.

Population.—The statistical picture shows that Canada's total population has increased from 11·1 million in 1938 to 12·6 million in 1947. It is estimated by the Dominion Bureau of Statistics that Canada's population, by 1951, may be somewhere between 12·7 million and 12·9 million.

What is just as important to farmers, as a larger population, is the fact that Canada is becoming more of an urban nation with an expansion of non-agricultural resources. A recent survey (May 31, 1947) shows that of the total gainfully occupied labour force, 14 years of age and over, 76 per cent were in non-agricultural occupations. This means that farmers have a larger domestic market, not only for all farm products but especially for dairy, meat, and fruit and vegetable products.

National Income.—Canada's net national income increased from four billion dollars in 1938 to almost 9·5 billion dollars in 1946. Most of this increase was due to greater output and some to higher prices (as the general wholesale price index increased about 38 per cent between 1938 and 1946). Not all of this higher national income was pure gain as the urban cost-of-living index, in turn, increased by about 21 per cent in the same period.

Net national income for 1947 will well exceed that of the preceding year. While most of this increase is due to a higher price level, it appears that physical output has also increased. The higher level of national production has been accompanied by a record volume of civilian employment. At the same time, average unemployment for the year has fallen to the exceedingly low figure of two per cent of the labour force. Furthermore, employment and output have been well sustained throughout the full course of the year with no indication of any falling off toward the close.

Prices.—During the past two years, but most markedly in 1947, along with decontrol, a readjustment of the price structure to the realities of the post war situation has been taking place. The majority of subsidies have been eliminated, while others have been greatly reduced, and, as previously indicated, practically all price ceilings have been removed. Of those remaining, most have been raised to cut down the wide differential between domestic prices and those obtainable in foreign markets. The continued inflationary pressures in the

United States also exert a significant influence on price movements in Canada as higher prices for such basic materials as coal and steel, spread through related sectors of the Canadian economy.

Domestic costs of production and import prices of raw materials, components and finished goods alike, have risen sharply since the system of wartime controls was inaugurated, and, with the removal of these restrictions, these price raising factors have been reflected in the cost of living.

Thus, in spite of a larger volume of supplies, resulting from improved domestic production and higher imports, the forces of demand continued dominant throughout the year. As a consequence, prices moved steadily upward with the general price index and the cost-of-living index showing increases of 22·0; and 12·0 per cent respectively, between January and October. These buoyant market forces have been the result of both the enhanced demands of a full employment economy and of the accumulated needs that have been left unsatisfied during the six years of war.

Farm Prices.—A review of the past eight years shows that prices received by farmers have risen steadily. The index number of farm prices of agricultural products stood at 196·9 in August, 1947 (1935-39 = 100), as compared with an average of 91·8 for the year 1939. On the other hand, the index number of prices of commodities and services used by farmers rose from an average of 99·1 (11 factors), for the year 1939, to 164·2 in August, 1947. It is obvious that prices received by farmers increased more rapidly during the war years than prices paid by farmers. It is likely, however, that in the next year or two, the two price indexes will move closer together.

Farm Income.—The annual cash income from the sale of farm products since 1943 has been well above one billion dollars. Net income of farm operators from farming operations¹ in 1946 was more than 2·5 times that of 1939. The increase in income and decline in numbers of farms and farm people has resulted in a greater income per farm and per capita.

The 1947 cash income may be slightly above the 1946 total of \$1·74 billion. This is, in the main, due to higher farm prices. It is more difficult to estimate the net income but it, too, is likely to be close to the 1946 figure of \$1·27 billion.

Economic Outlook—1948

Domestic Demand for Food.—The general and appreciable increase in the domestic demand for food during the war years was a direct outgrowth of considerably enhanced incomes of the whole population. The maintenance of a high level of employment and income, and the increase in Canada's population by 1·4 million in the years between 1938 and 1947, has made possible the continuance of the increased demand into the post war period and exhibits itself in a rise in consumption of certain foods at higher prices. The domestic demand is strong for meats, dairy products, and fruits and vegetables.

On the whole, the demand in Canada for food products is expected to remain relatively strong over most of the year 1948, because incomes, employment, and production, may equal or exceed the 1947 levels. A combination of large money outlays for construction and equipment, and continued inventory accumulation, is expected to support a high level of employment and domestic spending. In view of the likely demand forces during 1948, it is expected that the per capita incomes, not only of wage and salary earners but also of farmers, may keep pace fairly well with such increase as may take place in the cost of living.

It should be pointed out that in addition to higher wages and salaries, the flow of income to consumers during 1948 will be further bolstered by repayment of the refundable portion of the 1942 income tax.

¹ Net income of farm operators from farming operations is arrived at by adding cash income, income in kind, value of changes in inventory and supplementary payments, less operating expenses and depreciation charges.

Farm Prices.—Both demand and cost factors are likely to maintain a strong upward pressure on food prices. For the period from the end of the war until very recently, the margin between world prices and Canadian prices for foodstuffs had been steadily widening. Recently the discontinuance of subsidies on various agricultural products (particularly coarse grains), the removal of most of the remaining food items from price control, and the re-negotiation of the U. K. contract prices for wheat, have permitted Canadian prices to move again towards the world level. With no evidence of easing in the acute world food shortage, and with a sizable margin still persisting between Canadian and world food prices, the upward pressure in Canadian prices will continue throughout 1948.

Any uncertainty about the course of prices of farm products is what may happen in the second half of 1948, as prices later in the year will be affected by the size and condition of the 1948 crops in Canada and the rest of the world, and also by the ability of other nations to buy Canadian farm products.

Farm Income.—Assuming average crop conditions and farm prices at the 1947 level or higher, it is expected that net income in 1948 will approximate that of 1947. A factor that will hold down net income is the higher operating cost. With controls lifted, it is likely that the prices of nearly all items entering into farm production costs will rise.

THE FARM LABOUR PROGRAM¹

The Dominion-Provincial Farm Labour Program is based on special agreements which provide for joint action and sharing between the Dominion and Provincial Governments of the cost of recruiting and transporting farm labour. This program originated during the last war and has been continued, owing to a persistent and acute shortage of farm labour.

One of its main post-war achievements was the establishment of about 4,500 Polish war veterans on Canadian farms. A year after their arrival, more than two-thirds of them were still working on the farms to which they had originally been assigned. In most cases, their work has been satisfactory. Another group of agricultural immigrants are entering Canada from the Displaced Persons Camps of Germany and Austria, under a system of individual sponsorship. Relatives or friends arrange for their entry into Canada, through the Immigration Branch. A further substantial number of agricultural workers are coming to Canada under the Dutch immigration plan. To a large extent, this is a movement of families for whom jobs have been found in Canada, prior to their departure from Europe.

The Farm Labour Program has also been instrumental in increasing the mobility of farm labour within the country. During 1947, approximately one thousand workers were moved from Alberta, Saskatchewan and Manitoba to help with the hay crop in Ontario. When the British Columbia fruit growers were threatened with the loss of their crops, arrangements were made for the movement of about 885 female workers from Saskatchewan and Alberta. Some 700 workers were also sent to Prince Edward Island from Nova Scotia during the potato picking season and about 2,200 workers went from Ontario and Quebec to the Prairie Provinces to help with the grain harvest.

Co-operation with the United States was continued in 1947. About 1,300 United States workers crossed the border to help out in the tobacco harvest. On the other hand, Canadian farm help and farm machinery again moved to the United States for the grain harvesting season. Approximately 1,150 combines and 3,450 men took part in this work in 1947 which is the largest number since

¹ Summary of an address given by A. MacNamara, Dominion Deputy Minister of Labour.

this movement was started in 1942. Some 6,200 workers from Quebec and New Brunswick assisted during the potato picking season in Maine. Another thousand workers from Manitoba helped out in the potato fields of North Dakota.

Labour shortages in the beet fields of Montana were overcome by the transfer of about 275 Saskatchewan workers. Similar movements included a migration to New Hampshire for fruit and vegetable picking and to Maine for pea vining, haying and vegetable picking.

This annual migration back and forth is important, not only because of its contribution to the world food store, but also in that it brings a feeling of stability to the year-round agricultural worker. Arrangements made for the movement of surplus agricultural workers to the lumber camps during the off season also contribute to this objective.

While the machinery for a co-ordinated Dominion-Provincial Farm Labour Plan was established to meet wartime farm labour requirements, it is hoped that this machinery may be continued and serve as a means of guaranteeing sufficient workers to meet the needs of the country's food production program. Through this and other means action will be taken to supply an adequate labour force in 1948. Consideration has been given to the possibility of arranging for further bulk movements of workers from Europe. Additional single workers might be brought from the Displaced Persons Camps of Europe for general agricultural work. Female workers, willing to find employment as domestics on Canadian farms, might also be secured from Europe and the question of married couples is also being considered.

FARM EQUIPMENT

Canada is dependent on imports for approximately half of her farm equipment supply. Thus the farm machinery situation in other parts of the world is of concern to this country.

The Situation Abroad

Farm Draft Power.—According to a review of the farm power and machinery situation prepared by the Food and Agriculture Organization of the United Nations the lack of draft power is probably the most important obstacle to the restoration of farm production in many areas, particularly in the war-devastated countries. Of the loss of farm draft power sustained during the war, UNRRA analysts have estimated that the equivalent of 11·8 million horses or one-third of the draft power had been destroyed, in the ten countries served by that organization. These included the seven European countries of Albania, Austria, Czechoslovakia, Greece, Italy, Poland and Yugoslavia, together with the Ukraine, Byelorussia and China. In Poland, at the end of the war, with 70 per cent of the horses gone and only worn out tractors left, the farm power situation was critical. By June, 1946, through assistance from UNRRA, imports from other sources, repatriation and natural increase, the number of horses had increased to 57 per cent of the prewar population. In addition 5,500 tractors were in use, compared with 1,500 at the end of hostilities. Even with these increases there was only sufficient power to plant three-fifths of the cultivated land in Poland. A draft power situation comparable to that of Poland exists in Yugoslavia, Austria and Greece. In some of the enemy occupied countries, however, such as Czechoslovakia, draft animals on farms in 1946 approximated 90 per cent of prewar.

UNRRA has provided more than 23,000 tractors and in excess of 260,000 draft animals to the 10 countries in which aid was given. This has, however, replaced less than 5 per cent of the loss. The difference between this UNRRA replacement and the total draft power loss is estimated as the equivalent of almost 1·5 million tractors.

Repair Problems.—During the war the flow of repair parts for farm machinery was either stopped altogether or greatly curtailed. This situation brought about an acute shortage of repair parts and seriously affects the production of food. Prewar exports of farm machinery (1938) amounted to approximately 135 million dollars. Of this total the United States supplied 55 per cent, Germany 14 per cent, United Kingdom 8 per cent, Canada 6 per cent, Sweden 5 per cent, Czechoslovakia 4 per cent, and France, Austria, Hungary and Belgium the remaining 8 per cent.

Chief importing countries, in order of importance, were: Canada, Argentina, Australia, the United Kingdom, the Union of South Africa, New Zealand and Sweden, which absorbed about one-half of all imports. Principal countries importing farm machinery from Germany were: Belgium, the Netherlands, Denmark, France, Italy, the Union of South Africa, and Argentina. It is implied that repairs for German-made equipment are now in extremely short supply.

In summarizing the situation the FAO review states that in many of these countries animal power will continue to be used as before the war for a major part of the work. In most countries, however, considerable effort is being made to supplement animal power with mechanical power as rapidly as possible. While an increase in farm mechanization in these countries during the next few years is considered desirable to increase food production, this is a gradual process and may not be suitable for all areas. Indeed, such an expansion will necessitate the carrying out of a training program for the operation and maintenance of modern machines and development of distribution facilities for fuel and repair parts.

Supply Outlook

Production.—The 1946 production of farm machinery in the United States, was about double that of 1938. Plant capacity is being substantially expanded and is expected to reach a capacity, in the next 12 or 18 months, of 50 per cent over the level of production in 1946. In Canada, 1945 production of farm machinery was double that of 1940 and an appreciable increase continued in 1946 and 1947, with the assistance of steel allocations and the purchase of materials in the open market,

The remarkable expansion in production, in the United Kingdom, is illustrated by the output of wheel-type tractors which, in 1946, was nearly double the average for 1937 to 1939, and further increased in 1947. Recovery of farm machinery production in Czechoslovakia, Denmark, France, Italy and Hungary is showing progress, but will be slow because of shortages of material.

Exports.—The magnitude of the over-all farm machinery problem is illustrated by tractor export statistics. Prewar world exports of tractors, wheel and crawler types, were about 50,000 units annually during the two years immediately preceding hostilities. In 1938, 80 per cent of the tractors exported came from the United States, 5 per cent from the United Kingdom and 15 per cent principally from Germany and Czechoslovakia, with minor quantities from France and Hungary. In 1946, tractor exports had increased by about 36% over prewar years, to 68,000 units, of which 60,000 came from the United States and 8,000 from the United Kingdom. In addition, approximately 11,000 garden tractors were exported by these two countries. For 1947 indications are that the United States should export nearly 90,000 units of wheel and crawler tractors and 18,000 garden tractors or more than double prewar exports. Adding the anticipated exports from the United Kingdom, the 1947 total may reach 100,000 units, wheel and crawler tractors, or double the exports of all countries before the war; together with 25,000 garden tractors which were only produced in limited quantities before the war.

Manufacture of tractors in Germany is being resumed on a modest scale and few will be exported in 1947. Czechoslovakia, France and Hungary exported some tractors before the war, but are not expected to resume exports in any volume in 1947 and perhaps for some years. The U.S.S.R., which produced about 110,000 tractors in its best year before the war, is reported to have restored output to only 15,000 in 1946 and its 1947 plan calls for only 34,000.

Exports in 1948 could be even larger than in 1947, due to continued expansion or recovery in farm machinery production. Even though production of tractors and other machinery will allow about double the exports of prewar years, the needs of importing nations will be only partially met. For tractors alone, requirements for replacement and contemplated expansion in mechanized farming of importing nations (excluding the U.S.S.R.) are estimated at from 200,000 to 300,000 units annually. This is a minimum estimate. The number of tractors needed to replace war destroyed farm power and to help to produce adequate food supplies would be several times larger.

For farm machinery other than tractors, the needs of importing nations are correspondingly great, particularly for tractor-drawn or mounted tillage machines and for seeding and harvesting equipment. In 1946, the total value of farm machinery exports was about 175 million United States dollars, of which about one-half was for tractors and tractor parts. The increase in exports of machinery other than tractors, during 1946 and the first four months of 1947, has been comparable with the increase in exports of tractors. It is estimated that total exports of farm machinery during 1947 may amount to 250 million United States dollars. About 70 per cent of this amount will have to be paid with U. S. dollars and the remainder with English pounds and Canadian dollars. The Food and Agriculture Organization report concludes that should a United States dollar shortage develop in countries urgently requiring farm machinery, a determination, country by country, of import-requirements and exchange position would appear to be in the interest of world food production; and forecasts that some adjustments affecting farm machinery exports are likely to be made, with the termination of the UNRRA program. During the last two and one-half years, some 62 million dollars' worth of farm machinery was distributed by that agency. With the end of its program, exports are likely to be more in line with the prewar distribution pattern, as countries in which farm machinery dealers and repair services are established will be given prior consideration by manufacturers.

Canadian Supply Position

As the world's largest importer of farm equipment and as a substantial source of supply herself, Canada is in a most favourable position. During the war years, when many countries were short of farm equipment or without supplies, Canadian farmers secured a large amount of equipment, as shown by the figures on domestic sales, compiled by the Dominion Bureau of Statistics, which appear below:

SALES OF FARM EQUIPMENT IN CANADA, WHOLESALE PRICES—(NOT INCLUDING REPAIR PARTS OR MOTOR TRUCKS)

All Types.....	1938.....\$ 36,213,382	1943.....\$ 29,562,493
	1939..... 34,060,474	1944..... 54,824,135
	1940..... 47,747,865	1945..... 64,293,216
	1941..... 52,106,069	1946..... 81,372,195
	1942..... 50,461,523	1947*..... 100,000,000

* Estimated.

Prior to 1943 sales of repair parts were not reported separately. Since then, they were as follows:

SALES OF REPAIR PARTS, CHIEFLY AT WHOLESALE

1943.....	\$ 14,767,587	1945.....\$ 18,734,009
1944.....	17,084,138	1946..... 20,790,007

The actual increase in the physical volume of equipment would be somewhat less than indicated by the above figures due to changes in the prices of equipment, which included a 5 per cent increase on February 4, 1942, a $12\frac{1}{2}$ per cent increase on April 13, 1946 and a reduction in U. S. prices on the part of one major supplier on March 10, 1947. Since the removal of the Canadian Price Control on farm equipment on September 15, 1947, prices have remained relatively stable.

Equipment Available in 1946 and 1947

A survey conducted by the Farm Machinery Administration of the Wartime Prices and Trade Board, covering the period to September 30, 1946 and to September 30, 1947, shows an increase of over 30 per cent in the tonnage of equipment available to Canadian farmers in 1947 as compared with 1946. The increase in equipment from Canadian production amounted to 18 per cent while the tonnage imported in 1947 increased 48 per cent over 1946.

This survey is estimated to have covered 80 per cent of the tonnage made available to Canadian farmers from all sources in 1947, including the tonnage produced by the larger manufacturers and imported by the larger concerns, but not including all of certain articles handled by smaller manufacturers and importers, such as pumps, rubber-tired wagons, milking machines, sprayers and chick brooders.

Prospective Supply of Farm Equipment for Canada in 1948

Minimum Canadian requirements for farm equipment, in 1948, have been placed at 110 per cent of the 1947 supply by the Farm Machinery Administration of the Wartime Prices and Trade Board.

The administration has advised that 1948 imports will exceed 1947 imports by more than 10 per cent. Because of the increased implement manufacturing capacity in the United States, and the fact that material requirements of U. S. farm equipment, firms are largely being secured in the open market, there would appear to be reasonable assurance that the Canadian import requirements for farm equipment will be met.

The situation with respect to domestic production of farm equipment has not yet been fully clarified. The Farm Machinery Administration has submitted the steel requirements from Canadian mills, for the Canadian agricultural implement program, from October 1, 1947 to September 30, 1948. As of November 25, no decision had been reached as to the proportion of the Canadian output of castings, steel plate, sheet and other rolling-mill products that can be made available to Canadian farm equipment firms. Indications are that the supply of foundry iron for castings will largely control the 1948 farm equipment output but it does not appear that allocation of materials for farm machinery manufacture will be continued in 1948.

With respect to the Canadian farm equipment export program for 1948, agreement has been reached as of November 5, 1947, between the Export Permit Branch of the Department of Trade and Commerce and Steel Control of the Department of Reconstruction, covering the issuance of export permits involving 84,686 tons of farm equipment in 1948. This tonnage includes new equipment and repair parts essential to the operation of Canadian-made farm machinery in use in other countries. Exports amounted to 95,331 tons in 1947 and 86,879 tons in 1946, thus the export program for 1948 appears to be well in line with previous years. However, no arrangement exists and no official action is now contemplated with respect to a proportionate reduction in exports to be permitted in the event that the production of farm machinery in Canada should fall materially below the present objective for 1948.

THE FERTILIZER SITUATION

The International Position

Total world requirements of fertilizers are at present much higher than total world production. This is particularly true with respect to nitrogen fertilizers such as ammonium nitrate, sulphate of ammonia, nitrate of soda and cyanamid. The estimated world shortage of nitrogen is the equivalent of five million tons of sulphate of ammonia. As a result, world prices of nitrogen are variable and extremely high in many countries, particularly in Europe, the Middle East, India and China where much nitrogen has always been used in crop production. Phosphates and potash are in better supply but still insufficient to meet total world requirements. This is due in large measure to transportation and production difficulties in those countries where transportation facilities and the chemical industry were partially destroyed by the war, as in Italy, France, Holland and Germany. There is insufficient sulphuric acid for making superphosphate and insufficient coal for operating the plants in these European countries.

The demand for phosphates and potash in Japan, China, Korea, Formosa, Java and the Philippines can be only partially met because of over-all shortage of supply and lack of shipping. Competent observers believe that world fertilizer shortage will continue for some time yet or until industrial rehabilitation is solved in Europe.

The Domestic Position

Canadian production of nitrogen materials was higher in 1947 than in any previous year. The nitrogen plants at Trail, B.C., Calgary, Alta., Welland and Niagara Falls, Ont., and the by-product sulphate of ammonia plants in Eastern Canada operated at full capacity and production for the year, will approximate 150,000 tons of nitrogen equivalent to 1,750,000 tons of sulphate of ammonia. As domestic consumption of nitrogen will require only about 30,000 tons as against the 150,000 tons produced, there will be exported some 120,000 tons of nitrogen, equivalent to 600,000 tons of sulphate of ammonia. Since nitrogen materials are still under allocation by the International Emergency Food Council, exports are made subject to permit to those countries which have allocations of nitrogen from Canadian production. These include mainly the United States, the British Dominions, France, Holland, Belgium, Denmark, Egypt, India, China, Formosa, Greece, Turkey, Puerto Rico and other islands of the Caribbean area, Iceland and Hawaii.

Owing to the large production of nitrogen in Canada, there should be no shortage for domestic use, of ammonium nitrate, ammonium sulphate, 16-20 ammonium phosphate and cyanamid. There may be some shortage of 11-48 ammonium phosphate in Western Canada due to the astonishing current increase in demand for this fertilizer on the Prairies. The supplying company has arranged for 45,000 tons of 11-48 ammonium phosphate for the Prairies this trade year as against 35,000 tons used last year. The demand may be even greater than 45,000 tons in which case there will be some shortage.

According to latest reports, the production of superphosphate in Canada is even larger than last year and in Eastern Canada, importers are able to buy superphosphate in the United States as usual if they are willing to pay the price which is about \$2.00 per ton higher than last year. The total phosphate supply in Canada would seem therefore to be fairly satisfactory for next spring's requirements. It is estimated that a total of about 350,000 tons of superphosphate will be needed during the year.

Potash promises to be in satisfactory supply also as American producers have already contracted to supply Canada this year with the same tonnage as

last year, which will equal about 70 per cent of Canadian requirements. The other 30 per cent is to be imported from France subject to a deal made with France for Canadian ammonium nitrate. The International Emergency Food Council has allocated to France 40,000 tons of ammonium nitrate of Canadian production and for this France has agreed to supply the same tonnage of French 60 per cent muriate of potash. The estimated total domestic requirement for potash in this trade year is 100,000 tons of 60 per cent muriate and this quantity would seem to be assured.

The Domestic Price Position

Since July 1, 1947, most fertilizers have increased in price. In Western Canada, the price of ammonium nitrate f.o.b. Calgary and Trail, has increased about five dollars per ton; ammonium sulphate and 16-20 ammonium phosphate, two dollars per ton and 11-48 ammonium phosphate, five dollars per ton. These increases at Trail and Calgary will likely be reflected in higher prices to farmers in British Columbia and on the Prairies next spring. Prices of mixed fertilizers in British Columbia for the 1948 spring season have not yet been announced.

In Eastern Canada, sulphate of ammonia and cyanamid prices have each increased \$3.00 per ton. Superphosphate is still at last year's price, while potash has increased \$1.00 per ton due to a recent increase in American freight rates from the potash mines in New Mexico to Canadian points. The biggest price increase has been in the ammonium nitrate produced at Welland, Ont. The price has been increased from \$50.00 per ton to \$70.25 per ton f.o.b. Port Robinson. According to the manufacturers concerned, these increases are the result of increased costs of production during the past two years.

These increased prices of chemical materials that go into mixed fertilizers are likely to result in a general increase in the prices of mixed fertilizers. In addition, the higher prevailing cost of labour, bags and other requirements of the fertilizer industry is estimated at 20 per cent and this will likely be reflected in increased costs of mixed fertilizers to the farmer.

As the Maritime Provinces are at the end of the longest and most expensive freight haul from sources of supply of most of the chemicals in Canada, or have to obtain supply in the United States where prices are now much higher than in Canada, prices of mixed fertilizers in the Maritime Provinces next spring may be substantially higher than in Ontario and Quebec. In the circumstances, it is possible that price increases in the spring of 1948 will approximate 8 per cent in Ontario, 12 per cent in Quebec and 15 per cent in the Maritimes.

It will not be surprising either if even greater price increases occur soon, due to the over-all world shortage of fertilizers. Prices tend to rise to the world price level which is still much higher than that in Canada. It is possible that the phosphates and potash which Canada must import from the United States and other countries will increase again in price if supplies continue to be purchased in the United States for the needy countries of Europe and Asia at prices which would seem to have no ceiling.

GRAIN AND FORAGE CROPS

The demand for cereals in Europe and Asia far exceeded available supplies for the crop year 1946-47 and a survey conducted by the Food and Agriculture Organization in October last indicated that the supply situation would be more acute during the present crop year. The 1947 European crop was disappointingly low and India suffered a near crop failure. The United States, Australia and perhaps Russia will have greater supplies of wheat for export; Argentina will have little, if any, more and Canada definitely less than last year. Requirements, however, are greatly in excess of supply, and another year of international allocation will be necessary in order to distribute supplies as equitably as possible.

Prices for wheat to importing countries are now at extremely high levels, an incentive which will likely result in sharply increased wheat acreages for harvest in 1948 in European and other importing countries. Continued deficits of fertilizers, labour and draft power will, however, reduce the extent of the potential increase in wheat sowings in these areas. In most wheat exporting countries the achievement of a satisfactory balance between wheat and feed grain production will be a major factor in determining the acreages seeded to the various grains in 1948.

Canadian farmers in planning their 1948 activities will undoubtedly take into consideration the advisability of maintaining livestock output in order to fulfil contracts with the United Kingdom, to meet demands from other sources, and to assure a desirable balance of production on their own farms. If livestock output is to be maintained an adequate acreage of feed grains must be seeded. The increase in prices of coarse grains consequent to the removal of ceilings will likely influence farmers throughout Canada to maintain or increase acreages sown to these grains. In Eastern Canada higher prices of purchased feeds may result in farmers seeding an increased acreage to feed grains in order to reduce purchases. In Western Canada, on the other hand, farmers may be influenced to maintain or increase production of coarse grains for sale purposes. Therefore, assuming average yields per acre, an adequate supply of feed grains should be produced in 1948. In fact, on the above assumptions, surpluses of western feed grains may result. A decrease in livestock production would further increase these surpluses.

The anticipated increase in acreage sown to feed grains in Eastern Canada would be a reversal of the policy followed during the war years. No doubt a certain acreage of grains must be grown in this area to maintain desirable crop rotation practices but from an agronomic viewpoint grain crops are more adapted to soil and climatic conditions in the Prairie Provinces. On the other hand, hay and pasture are better suited to the more humid climate of Eastern Canada. In this area the cost of producing Total Digestible Nutrients is much less in hay and pasture than in grain. The production of adapted strains of hybrid corn for grain in some parts of Ontario appears to offer a more promising source of feed grain than increasing the production of coarse grain.

Wheat—Due to unfavourable production conditions which prevailed during the 1947 season in importing countries, the need for wheat and other food grains will continue to be urgent until, or unless, large 1948 crop supplies become available. The highest export wheat prices in years reflect the critical short supply situation now prevailing.

Canada's contribution to the 1947-48 wheat export trade is smaller than anticipated because of lower than average yields caused largely by hot, dry weather in July. Total Canadian wheat production in 1947 amounted to 340·8 million bushels as compared with 413·7 million bushels in 1946. The estimated quantity of wheat available for export based on current crop estimates now stands at approximately 200 million bushels. Of this quantity 160 million bushels are earmarked to fill the United Kingdom contract and most of the remainder will be milled for export flour. This estimated 40 million bushels available for countries other than the United Kingdom falls short of the supply necessary to service other regular customers of Canadian wheat. Had the long-time average yield of 16 bushels per acre been obtained this year, over 400 million bushels would have been produced and 50 million bushels additional would have been available for export.

The latest statistical measure of the world food grain shortage has been supplied by the Food and Agriculture Organization which, on November 4, estimated that total requirements in 1947-48 in deficit countries would run to about 39 million metric tons. Against these requirements only 29 million metric tons

of food grains, principally wheat, are estimated to be available for export in 1947-48, leaving an over-all deficit of 10 million metric tons. In terms of wheat this deficit amounts to approximately 367 million bushels.

The western farmer in mid-November was receiving an initial payment of \$1.35 per bushel for No. 1 Northern wheat, basis in store Fort William, and in addition he received a participation certificate entitling him to a payment from any surplus accruing from the five-year pool ending July 31, 1950. Late in August the Minister of Trade and Commerce announced that at the next session of Parliament the Government would recommend that an increase in the initial payment be made.¹

At the present time Canada is supplying the United Kingdom with wheat at \$1.55 per bushel plus $3\frac{1}{2}$ cents carrying charges, basis Fort William, under the provisions of the second year of the United Kingdom wheat agreement. The quantity of wheat Britain is to receive under the agreement in 1947-48 is 160 million bushels in the form of wheat or wheat flour. The price of wheat for domestic use is still under control and is currently \$1.58 $\frac{1}{2}$ per bushel including $3\frac{1}{2}$ cents carrying charges for No. 1 Northern Fort William. Wheat prices to countries other than the United Kingdom are established by the Canadian Wheat Board and for this crop year, August to October inclusive, the average of monthly quotations has been \$2.98 per bushel No. 1 Northern Fort William.

The provisions of the United Kingdom contract guarantee Canadian farmers a market for 160 million bushels of wheat this year and a minimum of 140 million bushels in each of the years 1948-49 and 1949-50. The price for the year 1948-49 has been announced, i.e. \$2.00 per bushel, and the price for the final year will be announced before December 1948. The price for 1949-50, however, will not be less than \$1.00 per bushel. On the basis of this agreement the current initial payment of \$1.35 is being paid to producers. This agreement, therefore, guarantees the farmer an assured market at an assured minimum price until July 31, 1950.

Farmers' decisions at seeding will be further influenced by the outlook in other food-grain producing countries. Indications are that the 1948 harvest in the United States will be below the record production of 1947—due to drought conditions at the time of seeding in the winter wheat belt. On the other hand, governments in importing countries are offering attractive bonuses to producers for increasing their food-grain acreages. If producers respond to these new incentives, 1948 production in the deficit areas should be increased.

The situation with respect to wheat, therefore, may be summed up as follows:

- (1) An urgent world demand now obtains and export prices are at extremely high levels;
- (2) The initial price of wheat to producers in mid-November was \$1.35 per bushel plus anticipated payments on participation certificates. Last August, it was announced that an increase in the initial payment would be recommended to Parliament at the next session;
- (3) The price received by the Canadian farmer for wheat reflects the stabilizing influence of the United Kingdom wheat agreement and under this Agreement a market for a large part of Canada's crop is assured until July 31, 1950;
- (4) Decreased production in the United States may be offset by production from increased wheat acreages sown in the major importing countries.

¹ Speaking on this subject in the House of Commons on December 11, 1947, the Right Honourable J. G. Gardiner, Minister of Agriculture, stated that, "..... every farmer who has been looking at the question is entitled to believe that he will receive \$1.55 a bushel for wheat over the five year-period". (Hansard, Vol. 87, No. 5, page 215).

TABLE 1.—WHEAT ACREAGE 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947
	ac.	ac.	ac.	ac.
Canada	25,595,400	21,182,667	24,076,100	23,895,400
Prince Edward Island.....	19,400	5,933	3,900	4,400
Nova Scotia.....	3,600	1,633	1,400	1,400
New Brunswick.....	13,700	2,867	1,800	2,300
Quebec.....	51,300	25,933	22,500	21,800
Ontario.....	744,300	685,200	584,100	743,400
Manitoba.....	2,880,000	2,092,600	2,522,000	2,497,000
Saskatchewan.....	13,973,800	12,144,000	14,085,000	14,085,000
Alberta.....	7,843,800	6,130,333	6,747,000	6,410,000
British Columbia.....	65,500	94,168	108,400	130,100

SUPPLY SITUATION

(Crop Year August 1 to July 31)

	Average 1935-39	Average 1943-45	1946-47	1947-48
million bushels				
Stocks at beginning of year.....	101	403	74	84
Production.....	312	336	414	341
Imports.....				
Total supplies.....	413	739	488	425
Exports ^a	181	342	243	200
Available for domestic use.....	232	397	245	225
Domestic utilization.....	114	169	161	150
Carryover at end of year.....	118	228	84	75

^a Includes flour in terms of wheat.

Oats.—The 1947 area sown to oats in Canada was one million acres less than that of 1946 and yields per acre were much below average. In consequence, production in 1947 amounted to only 282·7 million bushels as against 371·1 million for the previous year. Due to the short supply of feed grains available in Canada it was announced in mid-September that no more export permits, with minor exceptions, would be issued for the export of oats during the present crop year.

In October 1947 the ceiling price of 65 cents was removed and the drawback of 10 cents per bushel on purchases of oats for feed was also discontinued. Cash closing prices in store Fort William for the period October 23 to November 1 averaged about 90 cents per bushel for 2 C.W. oats. The support price for oats is still in effect. Western producers are guaranteed until July 31, 1948 a support price of 61½ cents per bushel for No. 1 feed oats, basis in store Fort William. Feed Freight Assistance payments on oats will also remain in effect at least until July 31, 1948.

Due to the increase in the domestic price of oats and despite the possible decline in livestock production, an increase in acreage shown to oats in Eastern Canada is likely to occur in 1948. If western farmers maintain present acreages and average yields are obtained, sufficient oats for domestic requirements will be produced and a surplus will likely be produced.

TABLE 2.—OATS ACREAGE 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947
	ac.	ac.	ac.	ac.
Canada	13,246,500	14,705,033	12,074,700	11,048,500
Prince Edward Island.....	150,900	120,733	117,000	122,000
Nova Scotia.....	92,000	68,333	67,200	70,300
New Brunswick.....	214,400	203,600	186,000	190,800
Quebec.....	1,677,700	1,676,333	1,466,500	1,394,700
Ontario.....	2,304,700	1,565,000	1,635,000	1,288,500
Manitoba.....	1,427,300	1,647,833	1,439,000	1,381,000
Saskatchewan.....	4,464,200	5,946,433	4,329,000	3,983,000
Alberta.....	2,803,700	3,400,868	2,754,000	2,534,000
British Columbia.....	111,600	75,900	81,000	84,200

SUPPLY SITUATION

(Crop Year August 1 to July 31)

	Average 1935-39	Average 1943-45	1946-47	1947-48
	million bushels			
Stocks at beginning of year.....	31	119	77.5	68.0
Production.....	338	454	371.1	282.7
Imports.....				
Total supplies.....	369	573	448.6	350.7
Exports ^a	14	71	29.8	8.0
Available for domestic use.....	355	502	418.8	342.7
Domestic utilization.....	320	408	350.8	274.7
Carryover at end of year.....	35	94	68.0	68.0

^a Includes rolled oats and oatmeal in terms of oats.

Barley.—An additional 1.2 million acres was sown to barley in 1947 as compared with 1946. The yield per acre, however, was lower than average and production of barley in 1947 at 141.5 million bushels was 7.4 million bushels less than in 1946. As with oats, the issuance of export permits for barley during the 1947-48 crop year ceased at mid-September because of the shortage of feed grain in Canada. The ceiling price of 93 cents was removed on October 22. Cash barley prices basis in store Fort William from that date until November 1 averaged \$1.18 for No. 1 Feed Barley and \$1.30 for 1 C.W. 6-Row Barley. The feed grain drawback of 25 cents per bushel was discontinued at the time the ceiling was removed. The support price of 90 cents for No. 1 Feed Barley in store Fort William is still in effect and will remain so until July 31, 1948. Feed Freight Assistance payments are also still in effect and will continue at least until July 31, 1948.

Unfortunately the wet spring of 1947 made it impossible for eastern farmers to carry out their plans for seeding barley. With normal seeding conditions in 1948 it is expected that eastern farmers will increase their barley acreage.

TABLE 3.—BARLEY ACREAGE 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947
	ac.	ac.	ac.	ac.
Canada	4,291,400	7,679,200	6,258,500	7,465,000
Prince Edward Island.....	6,400	14,033	9,700	10,700
Nova Scotia.....	9,300	10,900	8,500	7,600
New Brunswick.....	14,200	16,100	11,200	12,000
Quebec.....	161,600	141,533	124,900	156,800
Ontario.....	532,800	305,000	293,000	228,000
Manitoba.....	1,327,200	2,201,000	1,897,000	1,901,000
Saskatchewan.....	1,195,600	2,895,500	2,317,000	2,780,000
Alberta.....	1,030,700	2,076,300	1,783,000	2,354,000
British Columbia.....	13,600	18,834	14,200	14,900

SUPPLY SITUATION

(Crop Year August 1 to July 31)

	Average 1935-39	Average 1943-45	1946-47	1947-48
million bushels				
Stocks at beginning of year.....	8	48	29.9	28.6
Production.....	89	189	148.9	141.5
Imports.....				
Total supplies.....	97	237	178.8	170.1
Exports.....	14	27	6.9	1.0
Available for domestic use.....	83	210	171.9	169.1
Domestic utilization.....	74	175	143.3	140.5
Carryover at end of year.....	9	35	28.6	28.6

Rye.—Due to a substantial increase in the price of rye, the area sown for harvest in 1947 increased by about 400,000 acres over that of 1946. The average cash closing price for the three-month period, August to October 1946 was \$2.24 per bushel, whereas in the same period, August to October 1947, the price had risen to \$3.57 per bushel. Due to a world shortage of grain, rye has enjoyed an unusual export demand. Should good crops be harvested in Europe in 1948 it is highly improbable that the high prices now ruling in Canada will be maintained.

TABLE 4.—RYE ACREAGE 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947
	ac.	ac.	ac.	ac.
Canada	816,300	570,383	715,000	1,156,400
Quebec.....	6,500	10,100	7,700	8,600
Ontario.....	67,400	65,500	65,000	74,800
Manitoba.....	142,700	42,167	21,000	40,000
Saskatchewan.....	433,500	332,100	406,000	704,000
Alberta.....	161,500	119,283	214,000	328,000
British Columbia.....	4,700	1,233	1,300	1,000

SUPPLY SITUATION

(Crop Year August 1 to July 31)

	Average 1935-39	Average 1943-45	1946-47	1947-48
thousand bushels				
Stocks at beginning of year.....	2,236	7,629	768	702
Production.....	9,190	7,186	8,811	13,225
Imports.....				a
Total supplies.....	11,426	14,815	9,579	13,927
Exports.....	2,613	5,531	5,269	10,927
Available for domestic use.....	8,813	9,284	4,310	3,000
Domestic utilization.....	6,139	6,506	3,608	2,300
Carryover at end of year.....	2,674	2,778	702	700

(a) Data not yet available.

Mixed Grains.—Generally speaking, mixed grain is raised for feeding on farms where grown and very little finds its way into commercial channels. The decline in acreage between 1946 and 1947 is almost wholly attributable to the unseasonable weather experienced in Ontario during seeding time in 1947. Given normal conditions in the spring of 1948 the acreage sown to mixed grains will likely rise toward the 1943-45 level.

TABLE 5.—MIXED GRAIN ACREAGE 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947
	ac.	ac.	ac.	ac.
CANADA	1,165,000	1,478,167	1,317,900	1,150,400
Prince Edward Island.....	29,700	53,800	51,400	64,700
Nova Scotia.....	6,200	6,233	4,100	4,900
New Brunswick.....	3,600	12,567	9,900	9,500
Quebec.....	139,200	271,767	251,400	275,600
Ontario.....	914,500	940,667	946,000	751,100
Manitoba.....	22,700	41,467	14,000	13,400
Saskatchewan.....	25,200	80,900	8,100	6,200
Alberta.....	20,400	64,600	25,100	16,300
British Columbia.....	4,400	6,167	7,900	8,700

SUPPLY SITUATION

(Crop Year August 1 to July 31)

	Average 1935-39	Average 1943-45	1946-47	1947-48
	thousand bushels			
Production.....	38,507	46,671	53,031	35,700

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Summerfallow.—Accepted conservation and cultural practices in the Prairie Provinces call for a substantial acreage of summerfallow. Acreage devoted to summerfallow in 1947 amounted to 19.4 million acres as compared with 20.4 million acres in 1946.

TABLE 6.—SUMMERFALLOW ACREAGE 1935-47 IN THE PRAIRIE PROVINCES

	Average 1935-39	Average 1943-45	1946	1947
	ac.	ac.	ac.	ac.
Manitoba.....	1,978,600	2,321,667	2,573,000	2,187,000
Saskatchewan.....	9,115,820	11,757,000	11,835,000	11,480,000
Alberta.....	4,588,020	6,014,233	6,014,000	5,773,000
Prairie Provinces.....	15,682,440	20,092,900	20,422,000	19,440,000

Hay and Clover.—Acreages seeded to these crops change rather slowly. It is not unlikely, however, that some of the acreage currently devoted to hay and clover in Eastern Canada may give way to coarse grain crops in 1948. The extent of the change, if any, will depend upon the degree to which eastern farmers decide to return to self-sufficiency in the production of feed grains.

TABLE 7.—HAY AND CLOVER ACREAGES 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947
	ac.	ac.	ac.	ac.
Canada	8,766,400	10,051,567	9,882,500	10,202,700
Prince Edward Island.....	225,800	217,300	232,000	226,000
Nova Scotia.....	402,100	423,233	428,000	426,000
New Brunswick.....	569,100	649,000	646,000	637,700
Quebec.....	3,595,400	4,153,800	4,182,000	4,066,000
Ontario.....	2,798,000	2,932,900	2,952,000	3,362,800
Manitoba.....	445,100	430,000	242,900	244,600
Saskatchewan.....	221,600	338,567	334,800	314,100
Alberta.....	355,400	684,167	637,800	696,500
British Columbia.....	153,900	222,600	227,000	229,000

SUPPLY SITUATION

(Crop Year August 1 to July 31)

	Average 1935-39	Average 1943-45	1946-47	1947-48
	thousand tons			
Production.....	13,615	16,688	14,373	16,357

Alfalfa.—Increased acreages of alfalfa in areas to which this crop is well adapted are desirable. Because of its high feeding value, and its perennial characteristics, alfalfa might advantageously replace less desirable forage crops in some areas.

TABLE 8.—ALFALFA ACREAGE 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947
	ac.	ac.	ac.	ac.
CANADA	854,300	1,550,567	1,263,300	1,135,100
Quebec.....	14,700	71,133	68,900	71,900
Ontario.....	641,600	792,667	707,500	547,400
Manitoba.....	41,100	250,000	63,300	79,000
Saskatchewan.....	22,100	113,500	124,800	125,500
Alberta.....	84,400	249,967	219,700	223,500
British Columbia.....	50,400	73,000	79,100	87,800

SUPPLY SITUATION

(Crop Year August 1 to July 31)

	Average 1935-39	Average 1943-45	1946-47	1947-48
thousand tons				
Production.....	2,052	3,814	2,732	2,559

High Protein Feeds.—Supplies of high protein feeds generally remained below requirements throughout 1947, a condition which has prevailed since 1943. While protein feeds are among the most expensive feeds used on the farm, their value in the rations of most farm animals is rapidly being recognized by more and more feeders, with the result that the demand for these feeds has continued to increase year by year.

Preliminary estimates indicate that the supply of protein feeds available to Canadian feeders during 1947 was slightly in excess of that in 1946. Reductions in some types of protein feeds were offset by increases in others. Probably the most significant addition to Canada's supply in this class of feeds during 1947 was the importation of some 36,000 tons of soybean oilcake. A newcomer in this country to the field of vegetable proteins in 1947, though only in small quantities, was mustard cake and meal.

The outlook relative to the protein feed supply position in 1948 is not too clear, but there are indications that demand and supply may balance more closely. The requirements for 1948 of oilcakes and oil meals have been estimated at 180,000 tons and there is reason to believe that at least this quantity can be obtained, mostly from Canadian production. With increased feed costs some liquidation of livestock and poultry is anticipated and this should slacken the demand for protein feeds. It is also estimated that supplies of animal protein feeds available during 1948 will not fall below 1947 levels. Finally, if the high protein prices, which prevailed during the latter part of 1947, carry through 1948 the ability of feeders to include vegetable and animal proteins in their feed rations may be diminished.

Sufficient quantities of domestic flaxseed have been marketed from Canada's 1947 crop of 11.5 million bushels to permit capacity operation of Canadian crushing plants through most, if not all, of 1948. Should the crushers find it economical to operate at capacity, a substantially greater volume of linseed oilcake and meal will accordingly be produced. These increased supplies would normally find a ready market, particularly in the dairy industry, although persistence of high price levels throughout 1948 might create a certain amount of buyer resistance.

Soybean production in Canada in 1947 dropped over a quarter of a million bushels from 1946 levels and with imports of soybeans and soybean oilcake and meal not expected to reach substantial quantities in 1948, supplies of soybean oilcake and meal will be down considerably from 1947 levels. This may have an adverse effect on the production and supply of prepared poultry feeds particularly.

The combined 1947 production of rapeseed and sunflower seed in Western Canada is estimated at some 20 million pounds greater than the 26.4 million pounds produced in 1946. Oilcake and meal supplies available from the crushing of these crops should accordingly be at higher levels during 1948, although even at advanced rates of production their contribution to the over-all protein supply position will be relatively small. Improvements in the world supply of copra have been reported, but it is expected that 1948 production of copra cake and meal in Canada will not vary significantly from the 1947 output. While peanut

oilcake and meal were not produced in Canada during 1947, it is anticipated that a considerable tonnage of peanuts may be imported in 1948 and this will provide a welcome addition to the country's protein feed supplies.

Gluten feed, a by-product of the corn starch industry, is normally an important contributor to Canada's protein supplies and is expected to be available in about the same quantities in 1948 as in 1947. While Canada's 1947 corn crop was down sharply from the 1946 outturn it is considered that sufficient imports of corn will be obtained to allow production of gluten feeds to continue at present levels. Little change is anticipated in the production of malt sprouts, brewers' and distillers' dried grains and alfalfa meal but even at present levels a substantial quantity of protein feeds will be derived from these sources.

The supply situation for 1948 with respect to protein supplements of animal derivation is extremely difficult to forecast. Output of fishmeal in both 1946 and 1947 was disappointing, due in large part to poor catches of pilchards and the increased use of herrings for canning. Fishmeal production in 1948 cannot be forecast accurately, but it is fairly safe to assume that 1948 production will not fall below the very poor showing made in 1947. Production of tankage, blood meal and meat scrap in 1948 is likely to vary but little from 1947 levels as increased slaughterings of cattle will largely offset anticipated decreases in hog slaughterings—at least insofar as the effect on production of tankage and related feeds is concerned. There would appear to be little likelihood of any increase in the relatively small quantity of buttermilk, skim-milk and whey powders now available to the feed industry.

Protein supplements are not normally imported in large quantities and any increase from this source is not anticipated in 1948. On the other hand, exports from this country are under strict export control and very little, if any, of these feeds is likely to leave the country in the near future.

In summary, supplies of vegetable proteins (particularly linseed oilcake and oil-meal) are expected to improve in 1948, and with some slackening of demand indicated in consequence of high prices and lower livestock numbers the vegetable protein supply situation may be a little easier during 1948. Soybean oilcake and meal, however, will be available in smaller quantities in 1948 and this may be a source of concern to the prepared poultry feed industry and to poultry feeders. The demand for animal proteins may also be easier as a result of the price factor and reduced livestock numbers, but whether supplies of these latter proteins will meet requirements depends in part upon many factors, the effect of which cannot be clearly foreseen.

TABLE 9.—HIGH PROTEIN FEED SUPPLIES 1944-47

	1944	1945	1946 (Revised)	1947 (Preliminary)
short tons				
Linseed oilcake and meal.....	79,997	86,512	90,660	71,827
Soybean oilcake and meal.....	25,992	24,194	44,049	87,000
Cottonseed oilcake and meal.....	3,915	a	s	34
Sunflower oilcake and meal.....	a	a	a	a
Rapeseed oilcake and meal.....	a	a	a	a
Palm kernel.....	a	a	a	a
Copra meal.....	a	a	a	a
Peanut oilcake and meal.....	a	a	a	a
Mustard cake and meal.....	a	a	a	a
Gluten feed.....	a	a	s	a
Malt sprouts.....	6,068	5,994	7,144	7,500
Brewers' and distillers' dried grains.....	44,418	44,154	35,673	36,000
Alfalfa meal.....	26,943	26,640	31,204	32,000
Total vegetable protein.....	231,613	243,443	265,496	288,000
Fishmeal.....	29,472	31,646	23,255	17,000
Tankage, blood meal, meat scrap.....	62,240	40,638	36,000	33,000
Skim-milk, buttermilk and whey powders.....	6,043	3,500	5,000	5,000
Total animal protein.....	97,755	75,784	64,255	55,000
TOTAL PROTEIN SUPPLIES.....	329,368	319,227	329,751	343,000

* Confidential, cannot be released as less than three firms producing.

Millfeeds.—A record production of millfeeds was achieved by Canadian mills during the crop year 1946-47. Output reached 970,000 tons, topping production in the previous crop year by some 85,000 tons and exceeding the 1935-39 average production by 78 per cent.

Due to the reduced 1947 wheat crop smaller amounts of wheat will be available for milling. Production of millfeeds during the crop year 1947-48 is accordingly estimated at 825,000 tons, down some 15 per cent from the 1946-47 level.

The millfeed requirements of Canadian feeders continue to outstrip available supplies and with decreased production in prospect, close restrictions have been maintained on exports. Movement out of Canada is limited to small quotas allotted to the British West Indies and Newfoundland and 50 per cent of the millfeeds obtained from the milling of Ontario winter wheat.

In mid-November, millfeeds were quoted by the larger mills at \$10.00 per ton above the former price ceilings with bran, shorts and middlings listed¹ at \$35.25; \$36.25 and \$39.25 per ton respectively. Despite these price advances, feeders would take much greater quantities of millfeeds than are likely to become available in the near future.

TABLE 10.—MILLFEEDS, BRAN, SHORTS AND MIDDLING
(Crop Year August 1 to July 31)

	Average 1935-39	Average 1943-45	1945-46 Revised	1946-47 Preliminary	1947-48 Estimated
	tons	tons	tons	tons	tons
Stocks at beginning of year.....	12,877	12,206	9,761	13,323	11,658
Production.....	545,122	805,677	885,092	970,652	825,050
Imports.....	1,694	1,231	1,394	6,739	4,000
Total supply.....	559,693	819,114	896,247	990,714	840,708
Exports.....	171,772	38,860	32,169	40,414	20,000
Available for domestic utilization.....	375,801	770,550	850,755	938,642	809,050
Stocks at end of year.....	12,120	9,705	13,323	11,658	11,658

LIVESTOCK AND MEATS

Total meat production in Canada in 1947 showed a decline of 6 per cent from that of the previous year, and a decline of 28 per cent from the record production of 1944. The total supply for 1947 was 2 billion pounds, of which 1.3 billion pounds were handled through inspected plants. Inspected slaughterings of hogs increased by 2 per cent in 1947 but the inspected slaughter of cattle declined 21 per cent, calves declined 13 per cent and sheep and lambs declined 32 per cent, as compared with 1946.

Export shipments of meats declined 27 per cent in 1947 as compared with the previous year but still remained high in comparison with pre-war years. Exports of pork products remained approximately the same, whereas beef, mutton and lamb exports dropped to less than half of those of the previous year. Practically all of the carcass meats were shipped to the United Kingdom while most of the canned meats were supplied to other European countries.

It is estimated that meat production in 1948 will be slightly below the total production of 1947. Exports of pork products are expected to decline in 1948 but increased quantities of beef are likely to be available for export.

The domestic meat requirements are placed at 1.5 billion pounds which is approximately the same as in 1947.

¹ Carlot prices f.o.b. Montreal and Toronto. Prices quoted do not include freight assistance subsidy.

TABLE 11.—ALL MEATS: SUPPLIES AND DISTRIBUTION, 1947
Preliminary

	Pork	Beef	Veal	Mutton and Lamb	Total Meats
000 lb.					
Production (a)—					
From inspected slaughter.....	553,687	627,396	74,336	36,579	1,291,998
From non-inspected slaughter.....	265,000	275,000	61,300	16,900	618,200
Total output.....	818,687	902,396	135,636	53,479	1,910,198
Total Supply	818,687	902,396	135,636	53,479	1,910,198
For export—					
United Kingdom.....	262,154	28,239	.....	4,037	294,430
Canned.....	.....	15,547	.....	1,124	16,671
Other exports.....	16,183	15,765	.....	1,052	33,000
Total Exports.....	278,337	59,551	.....	6,213	344,101
For domestic use—					
Inspected.....	275,350	567,845	74,336	30,366	947,897
Non-inspected.....	265,000	275,000	61,300	16,900	618,200
Total domestic.....	540,350	842,845	135,636	47,266	1,566,097

(a) Chilled carcass excluding lard, tallow and offals.

TABLE 12.—ALL MEATS: ESTIMATED SUPPLIES AND PRODUCTION BASED ON ESTIMATED PRODUCTION, 1948

	Pork	Beef	Veal	Mutton and Lamb	Total Meats
000 lb.					
Production (a)—					
From inspected slaughter.....	517,784	685,857	74,336	27,664	1,305,641
From non-inspected slaughter.....	214,000	250,000	61,300	16,900	542,200
Total output.....	731,784	935,857	135,636	44,564	1,847,841
Total supply (b)	731,784	935,857	135,636	44,564	1,847,841
For export	210,000	93,012	.....	.....	303,012
For domestic use—					
Inspected.....	307,784	592,845	74,336	27,664	1,002,629
Non-inspected.....	214,000	250,000	61,300	16,900	542,200
Total domestic.....	521,784	842,845	135,636	44,564	1,544,829

(a) Preliminary estimates of production, chilled carcass basis excluding lard, tallow and offals.

(b) Not adjusted for imports and storage stocks.

Hogs.—A slight increase in inspected slaughterings of hogs occurred in 1947. Inspected establishments had an output of 554 million pounds of pork products and 30 million pounds of lard. The output from non-inspected plants was estimated to be 265 million pounds of pork products.

Exports of pork products amounted to 278 million pounds, of which 262 million were shipped to the United Kingdom. The domestic market absorbed 540 million pounds which is 66 per cent of the total output.

The original 1947-48 Bacon Agreement with the United Kingdom provided for the shipment of 400 million pounds during 1948 at \$29 per hundred pounds for grade A Wiltshire sides. A revision as regards price and quantity was announced in January 1948. The United Kingdom agreed to accept delivery of 195 million pounds at \$36 for grade A Wiltshire sides.

This increase in price for bacon increased the ratio of prices of hogs to prices of feed grains to the long-time average. Hog marketings in 1948 are expected to approximate marketings during 1947. The exportable surplus bacon in 1948 will be less than in 1947 owing to higher consumption on the domestic market.

TABLE 13.—HOGS: MARKETINGS BY PROVINCE OF ORIGIN WITH ESTIMATE FOR 1948

—	1935-39 Average	1943-45 Average	1946	1947 Preliminary	1948 Estimate
	no.	no.	no.	no.	no.
Canada	3,538,320	7,291,224	4,464,960	4,610,000	4,400,000
British Columbia.....	(a) 37,778	22,015	14,000	.....	.....
Alberta.....	948,436	2,440,146	1,250,667	1,078,000	.....
Saskatchewan.....	421,916	1,428,688	513,528	416,000	.....
Manitoba.....	262,535	697,923	345,368	306,000	.....
Ontario.....	1,566,563	1,981,543	1,770,453	2,086,000	.....
Quebec.....	272,753	587,194	478,423	625,000	.....
New Brunswick.....	20,161	38,456	25,322	27,000	.....
Nova Scotia.....	4,838	16,488	4,065	4,000	.....
Prince Edward Island.....	41,118	63,008	55,119	54,000	.....

(a) Data not available.

TABLE 14.—PORK PRODUCTS: PRODUCTION FROM INSPECTED SLAUGHTERINGS, SUPPLIES AND DISTRIBUTION

—	Unit	1935-39 Average	1943-45 Average	1946	1947 Prelim- inary	1948 Esti- mated
Inspected Slaughterings.....	000 hd.	3,381	7,188	4,254	4,350	4,200
Average carcass weight (a).....	lb.	149	166	164	166	165
Total carcass weight (b).....	000 lb.	488,508	1,156,422	676,726	700,437	672,210
Production —						
Bacon and pork.....	000 lb.	383,760	930,513	537,230	553,687	517,784
Lard.....	000 lb.	49,548	90,245	40,000	29,600	40,000
Total available supply (c) —						
Bacon and pork.....	000 lb.	387,802	939,134	532,017	553,687	517,784
Lard.....	000 lb.	49,326	90,878	40,400	34,000	40,000
For domestic use (d) —						
Bacon and pork.....	000 lb.	208,173	322,392	244,002	275,350	307,784
Lard.....	000 lb.	29,841	74,665	40,400	34,000	40,000
Available for export —						
Bacon and pork.....	000 lb.	179,629	616,742	288,015	278,337	210,000
Lard.....	000 lb.	19,485	12,051	.....	.....	.....

(a) Warm dressed basis including head, feet, leaf lard, kidney and kidney fats.

(b) Chilled basis (97 per cent of warm dressed weight).

(c) Adjusted for imports and storage stocks.

(d) Includes both civilian and priority users.

Cattle.—Inspected slaughterings of cattle amounted to 1·32 million head in 1947, a reduction of 21 per cent from the previous year. The total supply of beef amounted to 902 million pounds, of which 627 million pounds was from establishments under federal inspection.

Total exports of fresh frozen and canned beef amounted to 60 million pounds, carcass basis. This is the product of about 120,000 head of cattle. The United Kingdom received slightly over 50 per cent of these exports in the form of fresh frozen meat. Approximately 16 million pounds were shipped as canned meat to various countries. Inspected production provided 568 million pounds of beef for domestic consumption and non-inspected production provided an estimated 275 million pounds. Approximately 93 per cent of the total beef production was consumed domestically in 1947.

Cattle marketings in 1948 are expected to be slightly heavier than in 1947. The exportable surplus is estimated at 93 million pounds.

TABLE 15.—CATTLE (a): MARKETINGS BY PROVINCE OF ORIGIN WITH ESTIMATE FOR 1948

	1935-39 Average	1943-45 Average	1946	1947 Preliminary	1948 Estimated
	no.	no.	no.	no.	no.
Canada	1,028,997	1,400,281	1,667,565	1,330,000	1,450,000
British Columbia.....	(b)	48,488	56,405	48,000	.....
Alberta.....	246,861	356,353	442,854	367,000	.....
Saskatchewan.....	205,923	326,187	419,380	303,000	.....
Manitoba.....	121,072	153,826	203,345	145,000	.....
Ontario.....	407,764	441,063	456,733	401,000	.....
Quebec.....	40,624	63,075	70,970	55,000	.....
New Brunswick.....	2,572	4,164	9,225	6,000	.....
Nova Scotia.....	954	1,948	3,270	2,000	.....
Prince Edward Island.....	3,227	5,177	5,383	3,000	.....

(a) Commercial marketings less stockers and feeders, stock cows and heifers, milkers, springers, and direct exports of dairy cows.

(b) Data not available.

TABLE 16.—BEEF: PRODUCTION FROM INSPECTED SLAUGHTERINGS, SUPPLIES AND DISTRIBUTION

	Unit	1935-39 Average	1943-45 Average	1946	1947 Prelim- inary	1948 Esti- mated
Inspected slaughterings.....	000 hd.	861	1,380	1,666	1,320	1,443
Average carcass weight (a).....	lb.	463	497	488	490	490
Total carcass weight (b).....	000 lb.	385,888	665,025	789,411	627,396	685,837
Total available supply (c).....	000 lb.	384,689	662,133	797,687	627,396	685,837
For domestic use.....	000 lb.	373,789	505,942	611,374	567,845	592,845
Available for export.....	000 lb.	10,900	156,191	186,313	59,551	93,012

(a) Warm dressed basis excluding hide, head, tail, feet, kidneys and kidney fat.

(b) Chilled basis (97 per cent of warm dressed weight).

(c) Adjusted for imports and storage stocks.

Veal Calves.—Inspected slaughterings of veal calves in 1947 amounted to 655 thousand head, a reduction of 98 thousand head from 1946. The total supply of veal was 136 million pounds of which 74 million pounds was the product of inspected slaughter. This total amount was available to domestic consumers.

The 1948 marketings are estimated at 704 thousand head, the same as was marketed in 1947.

TABLE 17.—CALVES: MARKETINGS BY PROVINCE OF ORIGIN WITH ESTIMATE FOR 1948

	1935-39 Average	1943-45 Average	1946	1947 Preliminary	1948 Estimated
	No.	No.	No.	No.	No.
CANADA.....	739,361	724,754	795,330	704,000	704,000
British Columbia.....	(a) 5,874	5,075	4,000	.....	.....
Alberta.....	113,102	93,771	100,513	86,000	.....
Saskatchewan.....	93,784	85,599	101,858	83,000	.....
Manitoba.....	95,889	86,015	91,005	83,000	.....
Ontario.....	284,709	238,030	236,751	219,000	.....
Quebec.....	136,569	195,927	224,762	204,000	.....
New Brunswick.....	10,392	13,479	23,229	17,000	.....
Nova Scotia.....	1,860	1,333	3,701	2,000	.....
Prince Edward Island.....	3,056	4,726	8,436	6,000	.....

(a) Data not available.

TABLE 18.—VEAL: PRODUCTION FROM INSPECTED SLAUGHTERINGS, SUPPLIES AND DISTRIBUTION

	Unit	1935-39 Average	1943-45 Average	1946	1947 Preliminary	1948 Estimated
		No.	No.	No.	No.	No.
Inspected slaughterings.....	000 hd.	641	671	753	655	655
Average carcass weight (a).....	lb.	108	122	120	117	117
Total carcass weight (b).....	000 lb.	66,901	79,564	87,649	74,336	74,336
Total available supply (c).....	000 lb.	66,568	78,609	89,750	74,336	74,336
For domestic use.....	000 lb.	66,568	78,579	89,672	74,336	74,336
Available for export.....	000 lb.	.....	30	78	.....	.....

(a) Warm dressed basis including kidney fats, excluding skin and head.

(b) Chilled basis (97 per cent of warm dressed weight).

(c) Adjusted for imports and storage stocks.

Sheep and Lambs.—The number of sheep and lambs on farms at June 1, 1947, was 2,707,000 head. This was 8 per cent below the previous year's population and 28 per cent below the all-time peak of 3,726,000 in 1944.

Inspected slaughterings of sheep and lambs in 1947 totalled 820 thousand head, a reduction of 32 per cent from 1946. The total supply from inspected and non-inspected sources amounted to 53 million pounds. Exports totalled 6 million pounds of which 4 million were shipped to the United Kingdom.

Domestic consumption amounted to 47 million pounds, almost 90 per cent of production.

It is estimated that marketings of sheep and lambs will decline approximately 25 per cent in 1948. This would provide only about 44 million pounds of mutton and lamb, which is less than domestic requirements as indicated by past consumption.

TABLE 19.—SHEEP AND LAMBS: MARKETINGS BY PROVINCE OF ORIGIN WITH ESTIMATE FOR 1948

	1935-39 Average	1943-45 Average	1946 (a)	1947 (a) Preliminary	1948 Estimated
	No.	No.	No.	No.	No.
CANADA.....	785,783	1,052,416	1,162,786	776,000	636,000
British Columbia.....	(b) 41,902	34,865	23,000	.....	.....
Alberta.....	223,071	280,577	299,564	255,000	.....
Saskatchewan.....	82,336	133,952	141,953	91,000	.....
Manitoba.....	86,376	120,975	121,638	67,000	.....
Ontario.....	248,520	268,126	285,226	166,000	.....
Quebec.....	128,292	183,588	214,342	135,000	.....
New Brunswick.....	7,184	8,922	31,887	20,000	.....
Nova Scotia.....	1,172	3,020	13,871	8,000	.....
Prince Edward Island.....	8,832	11,354	19,440	11,000	.....

(a) Including rail gradings.

(b) Data not available.

TABLE 20.—MUTTON AND LAMB: PRODUCTION FROM INSPECTED SLAUGHTERINGS SUPPLIES AND DISTRIBUTION

—	Unit	1935-39 Average	1943-45 Average	1946	1947 Preliminary	1948 Estimated
Inspected slaughterings....	000 hd.	817	1,007	1,210	820	620
Average carcass weight (a)....	lb.	42	44	46	46	46
Total carcass weight (b)....	000 lb.	33,121	43,183	53,990	36,579	27,664
Total available supply (c)....	000 lb.	33,768	42,271	54,954	36,579	27,664
For domestic use.....	000 lb.	33,520	36,556	41,499	30,366	27,664
Available for export.....	000 lb.	248	5,715	13,455	6,213	.....

(a) Warm dressed basis, not including skin and head but including kidney fats.

(b) Chilled basis (97 per cent of warm dressed weight).

(c) Adjustment made for imports and storage stocks.

Wool.—The 1947 wool clip amounted to 10 million pounds which is 11 per cent less than the 1946 clip. It is expected that the 1948 clip will show a further decline of about 15 per cent as a result of the prospective decline in the sheep population.

World wool stocks were 5·1 billion pounds (greasy basis) at June 30, 1945; 5·0 billions at June 30, 1946; and 4·5 billions at June 30, 1947. The preliminary estimate of world production in 1947 is 3·67 billion pounds (greasy basis). This is about the same as the 1934-38 average but slightly below last year's production of 3·73 billion pounds. World consumption of apparel wool in 1946-47 is estimated at 3·4 billion pounds. This is larger than the wartime consumption and 10 to 15 per cent above the 1934-38 average. World consumption during 1947-48 is expected to remain at the high level reached in 1946-47.

TABLE 21.—WOOL: PRODUCTION, SUPPLY AND DISTRIBUTION

—	1935-39 Average	1943-45 Average	1946	1947 Preliminary
000 lb.				
Production.....	12,243	14,523	13,711	10,165
Imports.....	52,822	72,186	100,042	106,485
Total supplies.....	65,065	86,709	113,753	116,650
Exports.....	6,580	9,921	6,409	15,000
Available for domestic use.....	58,485	76,788	107,344	101,650

TABLE 22.—SHORN WOOL: PRODUCTION IN CANADA BY PROVINCE WITH ESTIMATES FOR 1948

—	1935-39 Average	1943-45 Average	1946	1947 Preliminary	1948 Estimated
000 lb.					
CANADA	12,243	14,523	11,456	10,165	8,640
British Columbia.....	550	593	538	480	.....
Alberta.....	3,377	4,557	3,203	2,544	.....
Saskatchewan.....	1,416	2,274	1,469	1,205	.....
Manitoba.....	837	1,137	724	631	.....
Ontario.....	3,230	2,905	2,713	2,617	.....
Quebec.....	1,856	1,983	1,777	1,785	.....
New Brunswick.....	356	351	329	290	.....
Nova Scotia.....	443	511	508	440	.....
Prince Edward Island.....	177	212	195	173	.....

Horses.—The number of horses on farms in Canada at June 1 has declined steadily since 1942. In 1947 the horse population was 2·0 million, a decline of 8 per cent from 1946 and 28 per cent from 1942. The average number of stallions, mares, geldings, colts and fillies was not significantly different in the period 1943-45 as compared with 1935-39. However, from 1945 to 1947 there was a decline of 50 per cent in the number of stallions and a similar decline in the number of colts and fillies indicating the rapidity of decrease in the breeding of horses. The number of mares and geldings declined only 20 per cent. Notwithstanding this decline in the horse population, there is no indication of a shortage of horse power at the present time.

During the first 8 months of 1947, 6,000 slaughtered horses and 1,400 work horses were shipped to the United States. Some 5,000 live horses were shipped to Belgium for slaughter purposes during this period. Packing plants producing pickled and canned horse meat for export slaughtered 46,000 horses during the first 9 months of 1947. In addition to completing UNRRA contracts, 8 million pounds were shipped for post-UNRRA relief and for Children's Relief during 1947.

The continuance of the removal of these horses will conserve the grasslands of the Prairie Provinces for cattle and sheep production and should improve the market for well-broken farm horses.

TABLE 23.—HORSES: NUMBER ON FARMS IN CANADA AT JUNE 1 BY CLASS

Class	1935-39 Average	1943-45 Average	1946	1947
000 head				
Stallions, 2 years old and over.....	21	21	18	11
Mares, 2 years old and over.....	1,287	1,224	1,138	983
Geldings, 2 years old and over.....	1,145	1,145	1,072	918
Colts and fillies under 2 years.....	380	308	169	120
Total.....	2,833	2,698	2,397	2,032

TABLE 24.—HORSES: NUMBER ON FARMS IN CANADA AT JUNE 1 BY PROVINCES

—	1935-39 Average	1943-45 Average	1946	1947
	No.	No.	No.	No.
CANADA	2,832,800	2,722,100	2,200,250	2,031,900
British Columbia.....	57,400	61,300	56,900	53,300
Alberta.....	665,300	598,500	469,000	410,900
Saskatchewan.....	852,100	808,900	570,400	504,900
Manitoba.....	305,200	296,200	215,100	195,300
Ontario.....	546,600	518,000	466,700	451,200
Quebec.....	295,300	329,400	317,500	316,600
New Brunswick.....	45,400	46,800	44,700	43,100
Nova Scotia.....	37,200	35,600	34,500	32,800
Prince Edward Island.....	28,300	27,400	25,450	23,800

TABLE 25.—HORSES: EXPORTS FROM CANADA, 1935-47

Period	Number of Head
1935-39 Average.....	9,488
1943-45 Average.....	19,651
1946.....	40,120
1947 (8 mos.).....	12,478

DAIRY PRODUCTS

The 1947 production of milk in Canada was just over 17 billion pounds. This represents a very slight increase over the 1946 production.

The year 1947 saw the removal of most government controls which affected dairy products. Cheese was requisitioned for shipment to Britain until November 30, and export control permits are still required on produce shipped out of Canada. On March 31, 1947, the orders restricting the manufacture of ice cream and processed cheese were rescinded and the prohibition of the sale of whipping cream and the Dominion Government's restrictions on table cream were removed. On April 30 the payment of subsidies to butter and cheese producers was discontinued and the ceiling price of butter was increased by ten cents. On June 9, butter and evaporated milk were removed from the list of rationed commodities; at the same time the ceiling prices on all dairy products were discontinued.

With respect to the market situation, dairy products fall into two categories, namely, those consumed almost entirely within Canada, fluid milk and butter, and those dependent upon an outlet abroad, cheese and concentrated milk products.

During the years 1939-46, 72 per cent of the total Canadian make of cheddar cheese was exported annually. In the case of evaporated whole milk 35 per cent of the 1945 production was exported as was 25 per cent of the 1946 production. With dry whole milk, 40 per cent of the 1945 output and 31 per cent of the 1946 output were exported, and with dry skim-milk the figures were 18 per cent and 14 per cent, respectively. Thus the future of these industries, on their present scale of operations, is dependent upon the export market.

During the war and the two subsequent post-war years, these products were sold largely to the United Kingdom and at a fixed price. A new cheese contract has recently been negotiated for 1948.

Butter.—The estimates of the 1947 creamery butter production indicate that the past year's production will have exceeded that of 1946 by about 19 million pounds.

This increase in butter production meant that the domestic consumption of butter (both dairy and whey, as well as creamery butter) increased from 25.2 pounds per capita in 1946 to 28.0 pounds in 1947.

This increase in consumption accompanied the removal of rationing on June 9, 1947. It may be noted that the average consumption of butter in Canada from 1940-42 was 32 pounds per capita, while through the 1930's the figure was over 30 pounds. Therefore, the 1947 consumption of butter was still below the pre-war average, in spite of a high level of employment and hence a strong effective demand. Were the domestic disappearance of butter to reach 1940-42 levels again, an additional 50,557,000 pounds would be required over the 1947 production.

However, it should be noted that invisible exports sent out of Canada in gift parcels or taken out by tourists were not recorded in trade returns and consequently were included in domestic disappearance figures.

TABLE 26.—CREAMERY BUTTER PRODUCTION AND ESTIMATES FOR 1948

	1935-39 Average	1943-45 Average	1946	1947 Preliminary	1948 Estimated
000 pounds					
CANADA	254,773	301,433	271,366	292,120	305,330
Prince Edward Island.....	2,073	4,213	3,900	3,589	.....
Nova Scotia.....	5,787	7,399	6,973	6,691	.....
New Brunswick.....	3,722	7,177	6,926	6,890	.....
Quebec.....	76,487	85,263	85,427	96,880	.....
Ontario.....	85,660	78,243	68,954	78,249	.....
Manitoba.....	24,223	30,827	26,067	26,726	.....
Saskatchewan.....	23,889	45,686	37,025	36,605	.....
Alberta.....	27,180	37,052	30,764	32,043	.....
British Columbia.....	5,752	5,573	5,330	4,447	.....

SUPPLY SITUATION

	1935-39 Average	1943-45 Average	1946	1947 Preliminary	1948 Estimated
000 pounds					
Stocks at beginning.....	34,750	36,792	36,220	44,361	45,954
Production.....	254,773	301,433	271,366	292,120	305,330
Imports.....	1,114	2	26	5,118	.....
Total supplies.....	290,637	338,227	307,612	341,599	351,284
Exports.....	6,643	6,578	4,509	4,200	330
Stocks at end.....	36,618	41,174	44,361	45,954	45,954
Available for domestic use:					
Creamery butter.....	247,376	290,475	258,742	291,445	305,000
Dairy butter.....	93,070	54,448	54,277	56,130	55,000
Whey butter.....	1,894	2,812	2,278	1,868	1,825
Total butter.....	342,340	347,735	315,297	349,443	361,825

The 1948 estimate for a total butter production of 360,000,000 pounds provides for a slightly larger butter supply for Canada without affecting too great a drain of milk from the other marketing outlets.

Cheese.—The 1947 cheddar cheese production showed a decrease of $25\frac{1}{2}$ million pounds from 1946. Cheese was the only milk product to show a substantial decline in volume of production during 1947. The increase in butter production was made in part at the expense of cheese. In Quebec, butter production in 1947 was greater than in 1946 by 9,900,000 pounds or 12 per cent, while cheese production decreased by 15,600,000 pounds or 38 per cent. In Ontario, however, the decrease in cheese production from 1946 to 1947 was only 10 per cent.

This difference in production trends in the two major dairy provinces can be explained, at least in part, by the fact that the Ontario government paid a bonus of 2 cents per pound on cheese, which the Quebec government did not. The cheese price paid by the British Ministry of Food was 25 cents per pound, f.o.b., factory shipping point or country grading station shipping point. In addition, the Dominion government paid quality premiums of 1 cent and 2 cents per pound on cheese scoring 93 points and 94 points respectively.

By Order in Council, under authority of the Agricultural Products Act, all cheddar cheese made in Ontario and Quebec from August 21, 1947, to November 30, 1947, was requisitioned for export to the United Kingdom Ministry of Food.

The 1948 contracts with the United Kingdom Ministry of Food provide for the shipment of a minimum of 50,000,000 pounds of cheese from the production of the year beginning April 1, 1948. This will provide a market for practically all of the exportable surplus of Canadian cheese. The price is set at 30 cents per pound, a 5 cent advance over that prevailing last year.

TABLE 27.—CHEDDAR CHEESE PRODUCTION AND ESTIMATES FOR 1948

	1935-39 Average	1943-45 Average	1946	1947 Preliminary	1948 Estimated
000 pounds					
CANADA.....	119,325	177,130	143,509	115,000	113,000
Prince Edward Island.....	376	982	672	575	.....
New Brunswick.....	480	1,105	970	690	.....
Quebec.....	25,820	57,296	40,639	24,380	.....
Ontario.....	87,081	109,383	93,739	82,340	.....
Manitoba.....	2,672	3,710	3,197	3,335	.....
Saskatchewan.....	441	467	374	345	.....
Alberta.....	1,860	3,420	3,229	2,875	.....
British Columbia.....	595	767	689	460	.....

SUPPLY SITUATION

	1935-39 Average	1943-45 Average	1946	1947 Preliminary	1948 Estimated
000 pounds					
Stocks at beginning.....	25,111	46,628	33,591	25,421	28,500
Production.....	119,325	177,130	143,509	115,000	113,000
Imports.....	.....	.....	.....	.....	.....
Total supplies.....	144,436	223,758	177,100	140,421	141,500
Exports.....	79,700	132,193	106,495	57,084	53,000
Stocks at end.....	26,817	37,625	25,421	28,500	28,500
Available for domestic use.....	37,919	53,940	45,184	54,837	60,000

Evaporated Milk.—The evaporated milk market for 1948 is closely tied to the entire question of export contracts and British dollar shortages. As in the case of cheese, contracts with the United Kingdom have existed in the past but to date, none have been negotiated covering 1948.

While a strong demand is said to exist in various countries, the export of this product will depend upon the availability of dollars in those countries.

Condensed Milk.—With the derationing of sugar in November, 1947, the restrictions on condensed (sweetened) milk production ceased to exist. However, no great increase in the domestic consumption of this product is anticipated.

Dry Whole Milk and Dry Skim-Milk.—The 1947 production of dry whole milk was slightly greater than in 1946. This volume of production has been fairly steady with some increases for the past few years.

Production of dry skim-milk, however, has shown substantial increases in recent years. This was achieved largely through new entrants into the business.

It is anticipated that production of dry whole milk and dry skim-milk will be at about the same level in 1948 as in 1947.

While there has been a considerable increase in production during recent years, export markets have been available for any production over and above domestic requirements. The possibility of exporting considerable quantities in the future will probably depend on countries desiring to purchase being able to provide the necessary exchange.

Should such countries be unable to do so, increased quantities would be available for the domestic market. While there is a possibility of using additional quantities for animal feed, it is doubtful whether this outlet would take care of total production in excess of domestic requirements for human consumption, and the price level of the product for animal feed would be considerably lower.

TABLE 28.—PRODUCTION OF CONCENTRATED MILK PRODUCTS AND ESTIMATES FOR 1948

—	1935-39 Average	1943-45 Average	1946	1947 Preliminary	1948 Estimated
000 pounds					
Evaporated.....	90,246	187,747	192,188	204,000	205,000
Condensed.....	9,067	28,839	31,257	29,000	29,000
Dry whole milk.....	4,720	15,308	15,934	16,500	16,500
Dry skim-milk.....	21,359	29,722	42,246	53,000	50,000

Fluid Milk.—The 1947 fluid milk consumption was reduced by almost 3 per cent from 1946. However, the 1946 fluid milk consumption in Canada was an all time high.

This reduction in the volume of fluid milk sales accompanied the price advances which followed the return of milk price control to the provincial milk boards in the autumn of 1946.

TABLE 29.—MILK UTILIZATION AND ESTIMATES FOR 1948

—	1935-39 Average	1943-45 Average	1946	1947 Preliminary	1948 Estimated
000 pounds					
Fluid sales.....	2,880,228	3,875,616	4,254,000	4,105,130	4,000,000
Consumed on farms.....	1,722,109	1,715,866	1,740,072	1,749,968	1,750,000
Creamery butter.....	5,964,246	7,058,496	6,358,105	6,844,372	7,153,882
Dairy butter.....	2,177,341	1,274,406	1,270,492	1,314,520	1,288,650
Cheese (a).....	1,354,239	2,009,634	1,650,792	1,207,469	1,174,049
Concentrated milk.....	261,663	604,479	627,068	641,353	649,120
Ice cream.....	132,383	260,700	225,539	354,857	355,000
Fed to stock.....	791,888	790,731	810,960	821,519	820,000
Total.....	15,284,097	17,589,928	16,937,028	17,039,188	17,190,701

(a) Cheddar, other whole milk and farm-made.

EGGS AND POULTRY

Eggs.—The program of early chick hatchings undertaken by the Canadian poultry industry in order to provide a large volume of eggs for Britain in the fall months, achieved outstanding success in 1947. For the first time there has been a steady flow of fresh eggs for export since the first of September. During September and October exports of fresh eggs totalled 152,000 cases as compared to 21,000 cases in the same month last year.

The Special Products Board paying price for eggs for the period September 1, 1947 to late January, 1948 is $5\frac{1}{2}$ c. over the price in the same period in 1946-47. The removal of the ceiling from eggs on March 17, 1947, had little or no effect on the market, as eggs were in surplus supply and Board prices supplied the floor. There was a flurry in the egg market in August when a shortage of eggs was anticipated, but production from new pullets came on quickly and prices subsided in the cases of Grade A Pullets to the Board price; the other grades came down gradually as supplies became more abundant.

Ninety million chickens were hatched in 1947 as compared with 82 million in 1946.

Domestic consumption of eggs remains high. The increased sugar ration has been a factor in increasing the use of frozen melange, yolk and albumen in bakery, candy and other foodstuffs.

The 1947 British contract for shell eggs amounting to 1,750,000 cases has been filled. On the contract for 7,500 tons of sugar dried eggs, 6,051 tons have been shipped and in addition 2,275 tons of frozen melange have been supplied in lieu of egg powder. The egg contract with Britain for 1948 covers 80,000,000 dozen and runs to January 31, 1949. According to this contract, the British may take 10,000,000 pounds of frozen melange in lieu of shell eggs or powder, or may elect to take the melange in addition to shell eggs and powder.

Following the withdrawal of subsidies and the removal of ceilings on feed grains, new prices were negotiated with the British Ministry of Food covering the 1948 egg contract. These prices call for an increase over 1947 prices of 5c. per dozen from January 28 to August 31, and 3½c. per dozen from September 1 to late January, 1949. Based on Grade A Large, packed for export, basis Montreal, the new prices to carlot shippers are 46c. per dozen until August 31 and 53c. for the latter part of the contract period.

TABLE 30.—FARM EGG PRODUCTION 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45 Revised	1946 Revised	1947 Preliminary
000 dozen				
CANADA	219,523	325,286	316,749	357,967
Prince Edward Island.....	3,301	5,440	5,960	6,165
Nova Scotia.....	4,038	9,478	10,614	9,630
New Brunswick.....	4,588	7,568	6,417	8,663
Quebec.....	32,267	50,629	51,396	56,886
Ontario.....	80,854	109,693	115,644	152,587
Manitoba.....	17,711	30,672	28,321	27,518
Saskatchewan.....	36,441	48,509	33,228	31,503
Alberta.....	24,081	38,716	35,885	37,323
British Columbia.....	16,242	26,581	29,284	27,692
Urban production (estimated).....	19,098	28,300	27,588	31,143

SUPPLY SITUATION

	Average 1935-39	Average 1943-45 Revised	1946 Revised	1947 Preliminary
000 dozen				
Stocks, beginning of year.....	8,844	14,079	16,068	8,677
Production.....	219,523	325,286	316,749	357,967
Imports.....	291	149	44	213
Total supply.....	228,658	339,514	332,861	366,857
Exports.....	7,223	70,683	61,347	83,000
Available for domestic use.....	211,493	254,518	262,837	273,857
Stocks, end of year.....	9,942	14,313	8,677	10,000

TABLE 31.—SPECIAL PRODUCTS BOARD EGG PURCHASES 1941-1947
By calendar years, cases of 30 dozen

	1941	1942	1943	1944
CANADA	511,320	1,251,198	1,121,427	2,664,325
Maritime Provinces.....	9,589	11,966	8,560	22,984
Quebec.....	39,001	27,098	32,938	153,464
Ontario.....	192,283	507,873	460,651	1,033,854
Manitoba.....	89,266	190,932	146,250	318,929
Saskatchewan.....	68,992	279,147	271,617	543,016
Alberta.....	64,136	201,584	198,291	401,853
British Columbia.....	47,953	32,598	3,120	190,225

TABLE 31.—SPECIAL PRODUCTS BOARD EGG PURCHASES—Concluded

	1945	1946	1947
	(to Dec. 31)		
CANADA	2,998,170	1,896,834	2,857,655
Maritime Provinces.....	31,932	11,514	74,982
Quebec.....	290,960	139,695	250,313
Ontario.....	1,156,831	908,354	1,483,669
Manitoba.....	337,779	144,563	216,889
Saskatchewan.....	473,209	251,319	224,770
Alberta.....	493,864	303,504	339,342
British Columbia.....	213,595	137,887	267,690

Poultry.—Domestic consumption of poultry has continued very high. Sales of eviscerated and cut up poultry are on the increase.

The larger hatches of chicks have not made any appreciable difference in the quantity of poultry meat produced as a considerable number of the birds were marketed at lighter weights than in other years.

Between January 1, and July 31, 1947, 11,872,000 pounds of chicken and fowl were exported to Britain, completing a contract of 13,300,000 pounds. After this contract was completed, poultry was allowed to go freely to the United States and other world markets and a price approximating the British contract was received in most areas. The principal outlet was to the United States and the largest percentage was shipped alive from Ontario, Quebec, the Maritimes and British Columbia.

The outlook for sales of surplus poultry meats in world markets would be reasonably good but for the exchange situation.

TABLE 32.—FARM POULTRY MEAT PRODUCTION 1935-47 BY PROVINCES

	Average 1935-39	Average	1946	1947
		1943-45 Revised	Revised	Preliminary
000 pounds				
CANADA	197,742	283,259	272,815	276,700
Prince Edward Island.....	2,739	3,727	3,474	3,500
Nova Scotia.....	3,303	6,477	8,300	7,800
New Brunswick.....	3,873	5,649	5,690	5,500
Quebec.....	23,320	38,079	35,079	39,400
Ontario.....	74,949	95,077	101,272	95,000
Manitoba.....	20,166	28,949	23,217	26,800
Saskatchewan.....	30,535	51,597	41,915	45,200
Alberta.....	26,549	40,349	36,972	38,000
British Columbia.....	12,308	13,355	13,631	15,500
Urban production (estimated).....	14,831	20,461	20,417	20,476

SUPPLY SITUATION

	Average 1935-39	Average	1946	1947
		1943-45 Revised	Revised	Preliminary
(000 pounds)				
Stocks, beginning of year.....	12,814	21,511	16,369	31,054
Production.....	197,742	283,259	272,815	276,700
Imports, (estimate).....			4,000	2,860
Total supply.....	210,556	304,770	293,184	310,614
Exports.....	2,993	9,329	2,211	22,000
Available for domestic use.....	194,048	273,400	259,919	263,614
Stocks, end of year.....	13,515	22,041	31,054	25,000

FRUITS

Fruit crop prospects for 1948 indicate increases over 1947 production for all crops except strawberries and grapes which may show moderate reductions. Significant increases are forecast for apples, peaches, and cherries, while for the other fruits the estimate is for less than 6 per cent increase. Inasmuch as imports have been increasing or maintaining high levels for most of these fruits, it would appear that larger Canadian crops will find a ready market. Apples, an export product, may be an exception.

Consumer purchasing power is at a high level in Canada. Fruits and some vegetables, for which demand is characteristically elastic, are particularly affected by this high purchasing power. However, the supply of competing foreign grown fruits, whether or not of kinds produced in Canada, is also high and likely to remain so for some time if judged by acreage or tree count. If Canadian producers are to retain their home markets in the face of such competition, quality and pack must be stressed as never before.

Temporary relief from such competition results from the Government program to alleviate the U.S. dollar shortage. In mid-November the importation of a number of fruits and vegetables was prohibited, and another group was placed on a quota basis. This had the immediate effect of firming prices of such Canadian-grown fruits and vegetables as were on hand at the time, and as long as such restrictions continue in effect producers and dealers who own these products will be largely protected from risk of price decline. Price ceilings were restored on canned fruits, and it was announced that similar action would be taken for fresh fruits and vegetables if unwarranted profits were taken.

Amongst the items on the prohibited list are nearly all fresh fruits, including apricots, cherries, cranberries, peaches, pears, plums, berries, quinces, nectarines, grapes, melons, pineapples, as well as dried, canned, and preserved fruits. Products under quota are fresh apples, grapefruit, oranges, lemons, and limes, and the juices of these fruits. The period during which these regulations will be in effect has not been stated, but the Minister of Finance has discretionary powers to ease the restrictions to prevent "particular hardships" or otherwise to recognize "unusual circumstances".

Wartime controls had been entirely removed in respect of maximum prices and subsidies prior to the special dollar crisis restrictions of November. Some export controls still prevailed, as for example on fresh and dried apples, jams, jellies and marmalades. A special post-war subsidy program assisted the movement of the 1947 Nova Scotia apple crop in absence of a United Kingdom outlet.

Some of the fruits showed a slight decline in price in 1947 from the high levels of the previous two years, and some sold at about the same prices. In the former group were British Columbia and Nova Scotia apples, and plums, prunes, raspberries, strawberries and Ontario peaches. Firmer prices were realized for grapes, Ontario apples, and British Columbia cherries. With good crops in 1948, and in absence of import restrictions, prices might ease but in all likelihood declines would be small for most kinds and in most areas if the products were well presented to the public.

Apples.—Recovery in apple production from the 1947 levels is foreseen for 1948. Expected crops in the producing provinces are also in excess of long-time averages except in the case of Nova Scotia. The industry is expanding in British Columbia, Quebec and New Brunswick, and is in a stable producing position in Ontario. Pulling of old trees and those of undesirable varieties has not been entirely offset by new plantings in Nova Scotia. Growers in that province should continue to face the likelihood of reduced volume of overseas shipments in their marketings, and plan to produce more of varieties in favour on this continent as well as abroad.

In the immediate pre-war period nearly half the Canadian apple crop was exported, and the proportion from Nova Scotia was much higher. Exports were very much reduced during the war, but were at close to pre-war levels in 1946-47, with the United Kingdom once more the main customer. The prospect now is for no immediate outlet in the United Kingdom and for sales in the United States only according to the relative supply and demand in that country and in Canada. Each summer an agreement is made as to the size of the movement between the U.S. and Canada, based on crop prospects and anticipated needs. The parties to this arrangement are the grower representatives of each country. Other principal customers in addition to the United Kingdom and United States have been Newfoundland and other countries in the western hemisphere.

The 1947 crop is moving from Nova Scotia with the growers' price supported by the Agricultural Prices Support Board. An average return of \$2.25 per barrel to the grower is guaranteed by the Board on all grades and varieties handled by the Nova Scotia Apple Marketing Board.

TABLE 33.—APPLE PRODUCTION AND ESTIMATES FOR 1948

	Average 1935-39	Average 1943-45	1946	1947	1948 Estimated
000 bushels					
CANADA	14,570	12,785	19,282	14,518	17,300
Nova Scotia.....	5,874	3,732	6,020	3,400	4,500
New Brunswick.....	143	266	330	365	350
Quebec.....	569	630	1,000	1,230	1,400
Ontario.....	2,419	1,847	2,040	2,604	2,750
British Columbia.....	5,565	6,310	9,892	6,919	8,300

SUPPLY SITUATION (Crop year July 1 to June 30)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary	1948-49 Estimated
000 bushels					
Production.....	14,570	12,785	19,282	14,518	17,300
Imports.....	224	75	362	300	.....
Total supplies.....	14,794	12,860	19,644	14,818	.....
Fresh exports.....	6,164	1,938	6,006	3,000	.....
Processed.....	2,670	3,870	5,409	3,818	.....
Available for domestic use.....	5,960	7,052	8,229	8,000	.....

Pears.—Pear production is increasing in the three producing provinces, British Columbia, Ontario and Nova Scotia, and it is expected that the high level of production of 1947 will be substantially maintained. The crop is consumed in the country and substantial quantities are normally imported. Some of the imported pears find their way to the processors.

TABLE 34.—PEAR PRODUCTION AND ESTIMATES FOR 1948

	Average 1935-39	Average 1943-45	1946	1947	1948 Estimated
000 bushels					
CANADA	569	710	951	975	1,035
Nova Scotia.....	18	29	30	30	35
Ontario.....	282	251	269	403	400
British Columbia.....	269	430	652	542	600

SUPPLY SITUATION
(Calendar year)

	Average 1935-39	Average 1943-45	1946	1947 Preliminary	1948 Estimated
000 bushels					
Production.....	569	710	951	975	1,035
Imports.....	394	314	390	400	.....
Total supplies.....	963	1,024	1,341	1,375	.....
Fresh exports.....	77	(a)	5	.....	.....
Processed.....	208	267	292	350	.....
Available for domestic use.....	678	757	1,044	1,025	.....

(a) Less than 500 bushels.

Plums.—A slight increase in plum production is expected for each of the three producing provinces, British Columbia, Ontario and Nova Scotia, and this would mean the third successive sizable crop. Exports of fresh plums are negligible, while imports have shown an upward trend. More than half of the crop is processed, according to the typical disposal of recent years.

TABLE 35.—PLUM AND PRUNE PRODUCTION AND ESTIMATES FOR 1948

	Average 1935-39	Average 1943-45	1946	1947	1948 Estimated
(000 bushels)					
CANADA	225	462	811	771	840
Nova Scotia.....	10	10	15	12	15
Ontario.....	68	101	301	265	285
British Columbia.....	147	351	495	494	540

SUPPLY SITUATION
(Calendar year)

	Average 1935-39	Average 1943-45	1946	1947 Preliminary	1948 Estimated
000 bushels					
Production.....	225	462	811	771	840
Imports.....	167	222	280	200	.....
Total supplies.....	392	684	1,091	971	.....
Fresh exports.....	25	.....	.....	.....	.....
Processed.....	61	202	469	354	.....
Available for domestic use.....	306	482	622	617	.....

Peaches.—With the probability of a record crop of peaches in British Columbia, and substantial improvement over the disappointing 1947 crop in Ontario which fell off sharply from early forecasts, the 1948 crop is expected to approach the record 1946 total crop for Canada.

Processing absorbs a substantial proportion of this crop in the two provinces. Some early season importing for fresh consumption is normal, and after the Ontario crop fell off sharply in 1947 substantial quantities were imported, in part to round out the canning pack.

In recent years the quality and consumer popularity of peaches from one main producing area have been adversely affected by disease and insects and by some marketing of fruit not sufficiently advanced in maturity to be attractive and immediately edible. This has resulted in some consumer preference for imported peaches.

TABLE 36.—PEACH PRODUCTION AND ESTIMATES FOR 1948

	Average 1935-39	Average 1943-45	1946	1947	1948 Estimated
000 bushels					
CANADA	1,023	1,299	2,145	1,661	2,100
Ontario.....	907	841	1,476	925	1,250
British Columbia.....	116	458	669	736	850

SUPPLY SITUATION
(Calendar year)

	Average 1935-39	Average 1943-45	1946	1947 Preliminary	1948 Estimated
000 bushels					
Production.....	1,023	1,299	2,145	1,661	2,100
Imports.....	211	303	442	400	.....
Total supplies.....	1,234	1,602	2,587	2,061	.....
Fresh exports.....	.....	.....	.....	.....	.....
Processed.....	956	370	956	650	.....
Available for domestic use.....	278	1,232	1,631	1,411	.....

Apricots.—Maintained high production of this exclusively British Columbia crop is forecast. Consumption is growing and accounts not only for the recent high levels of Canadian production but also for an accompanying increase in imports.

TABLE 37.—APRICOT PRODUCTION AND ESTIMATES FOR 1948

	Average 1935-39	Average 1943-45	1946	1947	1948 Estimated
000 bushels					
CANADA	50	86	147	159	175
British Columbia.....	50	86	147	159	175

SUPPLY SITUATION
(Calendar year)

	Average 1935-39	Average 1943-45	1946	1947 Preliminary	1948 Estimated
000 bushels					
Production.....	50	86	147	159	175
Imports.....	74	65	113	149	.....
Total supplies.....	124	151	260	308	.....
Fresh exports.....	.....	.....	.....	.....	.....
Processed.....	6	30	57	78	.....
Available for domestic use.....	118	121	203	230	.....

Cherries.—The outlook is for a recovery in cherry production in Ontario and a slight decline in British Columbia, to give a larger total crop than in 1947. Production in the former province is mostly sour or processing varieties and in the latter province sweet or dessert varieties. Canadian production is always insufficient for demand. A significant proportion of the crop is generally processed.

TABLE 38.—CHERRY PRODUCTION AND ESTIMATES FOR 1948

	Average 1935-39	Average 1943-45	1946	1947	1948 Estimated
000 bushels					
CANADA	210	246	337	270	330
Ontario.....	132	98	183	87	130
British Columbia.....	78	148	154	183	200

SUPPLY SITUATION
(Calendar year)

	Average 1935-39	Average 1943-45	1946	1947 Preliminary	1948 Estimated
000 bushels					
Production.....	210	246	337	270	330
Imports.....	21	19	39	47	.....
Total supplies.....	231	265	376	317	.....
Fresh exports.....	.....	.....	.....	.....	.....
Processed.....	92	108	214	120	.....
Available for domestic use.....	139	157	162	197	.....

Strawberries.—Production of this fruit showed recovery in 1947 from the low levels of the war years, and it is expected that production in 1948 will again be above recent averages. A prospective overall reduction from 1947 will be mainly accounted for by recessions in Ontario and Quebec, where growing conditions were particularly favourable in 1947. Export of this crop, usually in SO₂ pack, will be lower, as United Kingdom orders have not been renewed. Commercial processing has usually absorbed much of the crop.

TABLE 39.—STRAWBERRY PRODUCTION AND ESTIMATES FOR 1948

	Average 1935-39	Average 1943-45	1946	1947	1948 Estimated
000 quarts					
CANADA	25,493	14,653	17,412	25,805	22,900
Nova Scotia.....	1,088	816	550	550	550
New Brunswick.....	1,330	820	850	1,200	1,000
Quebec.....	7,012	3,699	2,600	6,000	4,500
Ontario.....	8,297	5,599	7,759	10,461	8,500
British Columbia.....	7,766	3,719	5,653	7,594	8,350

SUPPLY SITUATION
(Calendar year)

	Average 1935-39	Average 1943-45	1946	1947 Preliminary	1948 Estimated
000 quarts					
Production.....	25,493	14,653	17,412	25,805	22,900
Imports.....	3,174	1,095	1,060	3,348	.....
Total supplies.....	28,667	15,748	18,472	29,153	.....
Fresh exports.....	3,185	139	272	841	.....
Processed.....	5,337	4,544	5,537	7,000	.....
Available for domestic use.....	20,145	11,065	12,663	21,312	.....

Raspberries.—An upward trend in raspberry production in British Columbia and Ontario is expected to contribute to a larger crop throughout the country. Processing has absorbed much of this crop, and much of the product in SO₂ pack has been exported. If the poor prospect for overseas sale continues, a downward price trend for domestic sales may result.

TABLE 40.—RASPBERRY PRODUCTION AND ESTIMATES FOR 1948

	Average 1935-39	Average 1943-45	1946	1947	1948 Estimated
000 quarts					
CANADA	9,157	11,149	13,240	15,750	17,240
Nova Scotia.....	72	76	63	60	60
New Brunswick.....	48	49	35	40	40
Quebec.....	2,442	811	490	400	500
Ontario.....	4,133	4,652	3,023	4,665	5,000
British Columbia.....	2,463	5,561	9,629	10,585	11,640

SUPPLY SITUATION

(Calendar year)

	Average 1935-39	Average 1943-45	1946	1947 Preliminary	1948 Estimated
000 quarts					
Production.....	9,157	11,149	13,240	15,750	17,240
Imports.....	(a)	(a)	(a)	(a)	.....
Total supplies.....	9,157	11,149	13,240	15,750	.....
Fresh exports.....	(a)	(a)	(a)	500	.....
Processed.....	2,372	5,122	8,778	8,000	.....
Available for domestic use.....	6,785	6,027	4,462	7,250	.....

(a)—Not available.

Grapes.—Another large crop of grapes is anticipated, though it may be somewhat less than in 1947. Any increase in British Columbia would readily be offset by a decline in Ontario, where most of the supply is grown. A very large volume of table grapes is imported each year, and exports, except for juicing and re-import, occur only occasionally in small volume. Most of the Ontario crop is processed commercially into wine, juice, jam and other products.

TABLE 41.—GRAPE PRODUCTION AND ESTIMATES FOR 1948

	Average 1935-39	Average 1943-45	1946	1947	Estimated 1948
000 pounds					
CANADA	42,818	60,212	67,321	74,219	73,000
Ontario.....	41,142	57,467	65,126	71,460	70,000
British Columbia.....	1,676	2,745	2,195	2,759	3,000

SUPPLY SITUATION
(Calendar year)

	Average 1935-39	Average 1943-45	1946	1947 Preliminary	1948 Estimated
000 pounds					
Production.....	42,818	60,212	67,321	74,219	73,000
Imports.....	28,002	49,335	53,079	45,000	.....
Total supplies.....	70,820	109,547	120,400	119,219	.....
Fresh exports.....		1,333		54	.....
Processed.....	25,626	35,107	49,085	54,165	.....
Available for domestic use.....	45,194	73,107	71,315	65,000	.....

Loganberries.—Production of this crop shows a slight upward trend after a wartime decline. Three-quarters or more is processed each year into wine and jam. The British Columbia coast and Vancouver Island are the only producing areas.

TABLE 42.—LOGANBERRY PRODUCTION AND ESTIMATES FOR 1948

	Average 1935-39	Average 1943-45	1946	1947	1948 Estimated
000 pounds					
CANADA	1,853	1,473	1,637	1,728	1,900
British Columbia.....	1,853	1,473	1,637	1,728	1,900

SUPPLY SITUATION
(Calendar year)

	Average 1935-39	Average 1943-45	1946	1947 Preliminary	1948 Estimated
000 pounds					
Production.....	1,853	1,473	1,637	1,728	1,900
Imports.....					
Total supplies.....	1,853	1,473	1,637	1,728	.....
Fresh exports.....					
Processed.....	1,761	1,259	1,289	1,450	.....
Available for domestic use.....	92	214	348	278	.....

VEGETABLES AND CANNING CROPS

Potatoes.—It is recommended that there should be a slight increase in potato acreage in 1948, after the 30-year record low plantings of 1947. Because cultural practices, including use of fertilizer and insecticides, have improved, the recommendation does not go back to long-time levels of acreage. On an average yield of less than 150 bushels per acre a domestic supply of sufficient and manageable proportions will be forthcoming, and such an average seems now a practical expectation.

A little more than half the annual Canadian crop is estimated to disappear in fresh domestic consumption. However, since exports of table stock and seed amount to only from 4 per cent (1935-39) to 13 per cent (1946-47) of production, clearly most of the crop is disposed of at home. Most of the exports move from Prince Edward Island and New Brunswick, and this trade absorbs a large

proportion of the crops of those provinces. In 1946-47 more than 50 per cent of the Prince Edward Island crop was exported and 25 per cent of the New Brunswick crop. For the crops 1943-45, about 25 per cent of the production of the two provinces was exported. Without demand for dehydrated potatoes, processing will not soon absorb as much of the crop as in the war years.

The important place of potato production in the agriculture of Prince Edward Island and New Brunswick was recognized in the support of potato prices in those provinces for the large 1946 crop. It is expected that the 1947 crop will be marketed without need of support.

The export of potatoes is not based on intergovernmental contracts, although there was an unprecedented movement to Britain on this basis in the early part of 1947, and seed potato sales were regulated with government assistance during the later war period.

Seed potato exports are more regular and predictable than those of table stock. The latter occur in volume only when United States demand is appreciable. Seed potatoes are exported to various countries, of which the chief is the United States, and orders are renewed without close reference to the size of the previous crop in any particular customer country. The trend in the last several years is upward, the northern-grown product and the reliable certification system finding increasing favour in other parts of North America, the West Indies, and South America, as well as in a few overseas countries.

TABLE 43.—POTATO ACREAGE AND RECOMMENDATIONS FOR 1948

	Average 1935-39	Average 1943-45	1946	1947	1948 Estimated
	ac.	ac.	ac.	ac.	ac.
CANADA	516,000	525,100	520,600	497,400	497,400
Prince Edward Island.....	34,600	40,833	48,500	43,500	.....
Nova Scotia.....	21,200	23,467	24,000	21,500	.....
New Brunswick.....	48,200	64,467	68,700	66,600	.....
Quebec.....	136,000	164,333	152,000	148,700	.....
Ontario.....	146,400	117,333	120,000	113,700	.....
Manitoba.....	33,400	27,067	22,500	24,500	.....
Saskatchewan.....	48,800	41,567	37,000	37,300	.....
Alberta.....	29,000	28,600	28,900	24,500	.....
British Columbia.....	18,400	17,433	19,000	17,100	.....

SUPPLY SITUATION

(Crop year July 1-June 30)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary	1948-49 Estimated
	000 bushels				
Production.....	64,387	71,631	79,938	74,372	74,000
Imports.....	541	3,253	598	700	.....
Total supplies.....	64,928	74,884	80,536	75,072	.....
Disposal					
Seed following year (20 bu. per acre).....	10,480	10,425	9,948	9,948	9,948
Processed.....	184	2,048	1,200	1,000	.....
Fresh exports Table stock.....	1,000	2,883	7,017	3,000	.....
Certified seed.....	1,578	2,486	3,553	4,000	.....
Shrinkage (20% of crop).....	12,877	14,326	15,988	14,874	14,800
Available for domestic use.....	38,809	42,716	42,830	42,250	.....

Canning Crops.—After the 1947 cannning crop season when the per-acre production, or in any case deliveries to plants, of the crops was low, increased acreage is anticipated for tomatoes and beans, but some decline may occur for corn and peas. Of the four crops corn is believed to be the least profitable to the producer in most areas. Quebec growers obtained poor harvests of all four crops, and are expected to plant corn and peas with special caution. Alberta and Manitoba, on the other hand, are increasing in importance as cannning areas, and will likely show larger acreages throughout. The British Columbia industry is of a stable nature, and no sizeable increases or decreases in acreage are anticipated. The small Maritime cannning industry is likewise stable.

Wartime controls were mostly removed from these products, though export control on canned corn and some canned tomato products was still in effect late in 1947. Supplies of these two products still run behind demand and buoyant decontrolled prices tend to emphasize this.

The special dollar crisis regulations prohibited the import of all canned and otherwise preserved vegetables. Reinstitution of price ceilings on the various canned vegetables was found to be necessary after the import restrictions were announced.

The importation of fresh vegetables of the kinds discussed in this section was prohibited. The same prohibition applied on all other fresh vegetables except potatoes, sweet potatoes and onions, which were to be imported subject to quota.

Beans, Green and Wax.—A slight increase in acreage, accounted for by larger plantings in Alberta and Manitoba, is foreseen. The crop is not popular in Ontario because of the hand labour requirement, but is one of the important crops in Quebec. It thrives where the season is too short for tomatoes. Substantially all the pack is consumed within the country, and demand for good quality pack is firm.

TABLE 44.—BEANS: ACREAGE AND ESTIMATES FOR 1948

	Average 1943-45 Contracted	1946	1947	1948
		Planted	Planted	Estimated
	ac.	ac.	ac.	ac.
CANADA.....	7,143	8,410	7,470	7,560
Maritimes.....	240	190	330	330
Quebec.....	4,490	5,570	5,390	5,390
Ontario.....	1,273	1,130	370	370
Prairies.....	393	450	310	400
British Columbia.....	747	1,070	1,070	1,070
Crop processed (tons).....	11,595	13,400	15,000	.....

SUPPLY SITUATION
(Crop year July 1-June 30)

	Average 1935-39	Average 1943-45	1946-47	1947-48	1948-49
				Preliminary	Estimated
			000 cases		
Stocks at July 1.....	156	76	124	300	100
Production.....	467	1,107	1,315	1,427	.....
Total supplies.....	623	1,183	1,439	1,727	.....
Exports.....	7	11	9	10	.....
Available for domestic use.....	616	1,172	1,430	1,717	.....
Domestic utilization.....	472	1,075	1,130	1,617	.....
Carryover end of year.....	144	97	300	100	.....

Corn.—The anticipated decline in canning corn acreage will be based on poor 1947 harvests in most of Ontario and Quebec, coupled with producers' belief that prevailing prices are unremunerative. In Alberta and Manitoba the growth of the canning industry will continue with corn acreage contributing. The pack has been relatively short in recent years, and prices are firm or rising.

TABLE 45.—CORN: ACREAGE AND ESTIMATES FOR 1948

	Average 1943-45 Contracted	1946 Planted	1947 Planted	1948 Estimated
	ac.	ac.	ac.	ac.
CANADA	37,030	34,160	36,950	36,000
Maritimes.....				
Quebec.....	7,443	10,400	6,820	6,200
Ontario.....	25,677	19,210	24,890	24,000
Prairies.....	2,410	3,360	4,030	4,600
British Columbia.....	1,500	1,190	1,210	1,200
Crop processed (tons).....	53,908	63,321	45,000	.....

SUPPLY SITUATION (Crop year July 1-June 30)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary	1948-49 Estimated
	000 cases				
Stocks at July 1.....	322	124	97	78	25
Production.....	1,310	1,513	1,763	1,222	.....
Imports.....	1	(a)	(a)	23	.....
Total supplies.....	1,633	1,637	1,860	1,323	.....
Exports.....	65	21	66	25	.....
Available for domestic use.....	1,568	1,616	1,794	1,298	.....
Domestic utilization.....	1,248	1,508	1,716	1,273	.....
Carryover end of year.....	320	108	78	25	.....

(a) Less than 500 cases.

Peas.—This machine-handled crop may have increased acreage in most areas other than Quebec. The 1947 season was "disastrous" in that province, and a note of caution may be introduced. Producers elsewhere will expect better yields per acre and tend to keep production well up. The pack is mainly consumed in Canada, exports usually being a minor factor.

TABLE 46.—PEAS: ACREAGE AND ESTIMATES FOR 1948

	Average 1943-45 Contracted	1946 Planted	1947 Planted	1948 Estimated
	ac.	ac.	ac.	ac.
CANADA	35,653	44,910	40,570	40,450
Maritimes.....	1,177	1,800	2,490	2,550
Quebec.....	8,847	13,240	8,830	7,500
Ontario.....	18,993	22,450	20,480	21,500
Prairies.....	2,893	2,800	3,860	4,000
British Columbia.....	3,743	4,620	4,910	4,900
Crop processed (tons).....	30,229	42,958	30,000	.....

SUPPLY SITUATION

(Crop year July 1-June 30)

—	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary	1948-49 Estimated
000 cases					
Stocks at July 1.....	608	268	268	707	500
Production.....	1,761	2,931	4,081	2,932	.....
Imports.....	1	(a)	(a)	3	.....
Total supplies.....	2,370	3,199	4,349	3,642	.....
Exports.....	51	46	90	40	.....
Available for domestic use.....	2,319	3,153	4,259	3,602	.....
Domestic utilization.....	1,727	2,836	3,552	3,102	.....
Carryover end of year.....	592	317	707	500	.....

(a) Less than 500 cases.

Tomatoes.—Growers will generally strive for bigger tomato crops through larger acreage and expectation of more favourable growing conditions. A pack of much larger proportions than that of 1947 can readily be absorbed, and prices for some tomato products are buoyant. It is anticipated that 1948 packs will come on the market with stocks distinctly low. Pulp, paste and puree have frequently been important export items, though the export outlook is currently obscure.

TABLE 47.—TOMATOES: ACREAGE AND ESTIMATES FOR 1948

—	Average 1943-45 Contracted	1946 Planted	1947 Planted	1948 Estimated
—	ac.	ac.	ac.	ac.
CANADA	38,357	51,460	44,540	47,550
Maritimes.....				
Quebec.....	4,490	6,040	4,870	5,000
Ontario.....	31,337	42,530	36,080	39,000
Prairies.....				
British Columbia.....	2,530	2,890	3,590	3,550
Crop processed (tons).....	217,848	270,000	180,000	.....

CANNED TOMATOES SUPPLY SITUATION

(Crop year July 1-June 30)

—	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary	1948-49 Estimated
000 cases					
Stocks at July 1.....	921	220	121	107	20
Production.....	2,248	1,857	1,756	1,475	.....
Imports.....	35	38	110	100	.....
Total supplies.....	3,204	2,115	1,987	1,682	.....
Exports.....	735	29	105	25	.....
Available for domestic use.....	2,469	2,086	1,882	1,657	.....
Domestic utilization.....	1,729	1,925	1,775	1,637	.....
Carryover end of year.....	740	161	107	20	.....

TOMATO JUICE SUPPLY SITUATION
 (Crop year July 1-June 30)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary	1948-49 Estimated
000 cases					
Stocks at July 1.....	453	318	115	326	50
Production.....	1,361	3,310	4,229	3,485	.....
Imports.....	.....	.....	.....	.....	.....
Total supplies.....	1,814	3,628	4,344	3,811	.....
Exports.....	100	73	458	26	.....
Available for domestic use.....	1,714	3,555	3,886	3,785	.....
Domestic utilization.....	1,256	3,300	3,560	3,735	.....
Carryover end of year.....	458	255	326	50	.....

TOMATO PASTE, PULP AND PUREE SUPPLY SITUATION
 (Crop year July 1-June 30)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary	1948-49 Estimated
000 pounds					
Stocks at July 1.....	2,365	8,041	4,363	9,862	1,000
Production.....	20,339	18,271	42,450	25,000	.....
Imports.....	.....	.....	.....	.....	.....
Total supplies.....	22,703	26,313	46,813	34,862	.....
Exports.....	14,844	5,173	10,233	25	.....
Available for domestic use.....	7,859	21,140	36,580	34,837	.....
Domestic utilization.....	5,047	13,379	26,718	33,837	.....
Carryover end of year.....	2,812	7,761	9,862	1,000	.....

OIL SEED CROPS

The salient factor affecting the production of oil seed crops in Canada is the excess of imports over exports in fats and oils. According to recommendations of the International Emergency Food Council, dated October 15, 1947, Canada's imports of fats and oils in 1947 would amount to 79,300 metric tons (87,400 short tons) as compared with exports of 28,300 metric tons (31,200 short tons). These imports include items which, for climatic reasons, cannot be produced in Canada. Of vegetable oils in particular, only linseed and soybean oils were produced domestically on a commercial scale prior to World War II, while rapeseed and sunflower seed oils were added as war-time enterprises. Since all of these crops can be grown to advantage in various countries abroad, the production of oil seed crops in Canada is particularly sensitive to relevant factors in world trade.

World production of fats and oils during 1947 was not much greater than in 1946. Production in Europe was considerably less than in 1946, owing to adverse weather conditions last winter. Considerably improved conditions obtain in the Philippines, but other tropical areas are still in a disorganized state. Output in North and South America, Asia and some Pacific and African regions is slightly better than in 1946. It is expected that the 1946 per capita consumption of fats and oils will be maintained, with some small increases, but still at lower than prewar levels. Total export allocations of the International Emergency Food Council for 1947 amounted to 3,473,000 metric tons (3,828,000 short tons), which is 900,000 metric tons more than was actually exported in 1946. No danger of overproduction of fats and oils is anticipated in 1948, although a downward revision in world prices is considered possible for the latter half of that year.

In view of the general world conditions as outlined above, prospects for Canadian oil seed production in 1948 would seem generally satisfactory.

Flaxseed.—During 1947 the total acreage under flaxseed production was 75 per cent greater than in 1946, and only 2 per cent below the 1947 objective of 1,500,000 acres. Total production in 1947 was 80 per cent greater than in the previous year, mainly as the result of increased acreage but with slightly higher average yields than in 1946.

Higher maximum prices for the 1947 crop, \$5.00 per bushel for Number 1 C.W. in store Fort William-Port Arthur or Vancouver as compared with \$3.25 for the 1946 crop, exercised a strong influence in increasing production. Up to the time of writing, flaxseed remains under price control, and except in cases of sales to processors, no Wheat Board flaxseed in store in country elevators can be sold without special permission.

Flaxseed in store in Canada at the end of the crop year 1946-47 was less than in any year since 1941 production.

On the basis of present prices for flaxseed, and in view of the continuing need for importing fats and oils, it is estimated that approximately 1.5 million acres might be sown to this crop in 1948.

TABLE 48.—FLAXSEED ACREAGE 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947
	ac.	ac.	ac.	ac.
CANADA.....	306,730	1,776,700	840,900	1,472,300
Quebec.....	2,800	.....	.....	.....
Ontario.....	5,820	23,600	18,000	56,200
Manitoba.....	51,540	237,000	304,000	556,000
Saskatchewan.....	225,480	1,226,133	455,000	601,000
Alberta.....	20,760	286,833	62,000	257,000
British Columbia.....	270	3,133	1,900	2,100

SUPPLY SITUATION
(Crop Year August 1 to July 31)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary
000 bushels				
Stocks at beginning of year.....	277	3,440	1,649	777
Production.....	1,507	11,724	6,403	11,541
Imports.....	1,052	1	1	.....
Total supplies.....	2,836	15,165	8,053	12,318
Exports.....	49	4,667	116	.....
Available for domestic use.....	2,787	10,498	7,937	.....
Domestic utilization.....	2,456	7,757	7,160	.....
Carryover at end of year.....	331	2,741	777	.....

Soybeans.—As a result of adverse weather conditions during the spring and summer of 1947, the acreage and yield of soybeans in Ontario was less than in 1946, the acreage being only 83 per cent of the recommended objective of 60,000 acres. Despite this setback, both acreage and production were higher than the averages for earlier years, and soybeans can be expected to remain an important cash crop in southern Ontario.

In November 1946 the ceiling price of Nos. 1 and 2 Canada grade soybeans was increased from \$2.15 to \$2.40 per bushel, f.o.b. Toronto, this increase being retroactive for the 1946 crop. For the 1947 crop, with ceiling prices removed, the price at Toronto was about \$3.25 per bushel in early November.

By reason of the limited production of soybeans in Canada, considerable dependence is placed on imports to satisfy domestic requirements. During the crop year ended July 31, 1947, the total imports into Canada of soybeans and soybean products were as follows, with comparable figures for 1945-46 shown in brackets: soybeans 1,786,000 bushels (1,245,000 bushels); soybean oil 108,000 cwt. (89,000 cwt.); soybean oilcake and meal, 718,000 cwt. (16,000 cwt.); and soybean flour, 48,000 cwt. (46,000 cwt.). On the basis of 8·5 pounds of oil per bushel of beans, soybean imports during 1946-47 were in the order of about 3·2 million bushels. Exports of this commodity were negligible.

The available crushing capacity in Ontario for soybeans is about 4·5 million bushels, being considerably in excess of combined production and imports.

In view of the heavy imports of soybeans and soybean products into Canada, and of the gradually expanding area in which improved varieties render feasible the economic production of this crop, expansion in acreage to approximately 100,000 acres in 1948 may be considered desirable.

TABLE 49.—SOYBEANS ACREAGE 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947
	ac.	ac.	ac.	ac.
CANADA	9,714	39,317 (a)	59,200	49,100
Ontario.....	9,714	37,983	59,200	49,100
Manitoba.....		1,033	.....	.....

(a) Includes 900 acres in British Columbia in 1943 only.

SUPPLY SITUATION
(Crop Year August 1 to July 31)

	Average 1935-39	Average 1943-45	1946-47	1947-1948 Preliminary
000 bushels				
Production.....	214	698	1,072	806
Imports.....	72	651	1,786	.....
Total supplies.....	286	1,349	2,858	.....

Rapeseed.—Despite considerably lower yields per acre the production of rapeseed in 1947 is estimated at 102 per cent higher than in 1946. This higher production is attributed to an increase in the acreage of 165 per cent over the 1946 figure, and of 120 per cent over the recommended objective of 26,500 acres for 1947.

Rapeseed production has become popular with Saskatchewan farmers, especially in the north-central areas of the province. Yields up to 2,200 pounds per acre have been reported, although the average yields have been considerably lower.

Under the severe drought conditions which obtained in north-central Saskatchewan during 1947 the average yield of this crop was estimated at only 500 pounds as compared with 800 pounds per acre in 1946.

Production of rapeseed in Canada has been limited largely to the districts served by crushing units located at Medicine Hat, Alta., and at Saskatoon, Sask.

The maximum price for rapeseed, as set on July 31, 1947 by the W.P.T.B. is six cents per pound delivered to the buyer's receiving point, with lower prices for inferior grades set by the Canadian Wheat Board.

A considerable quantity of rapeseed oil is now being exported at prices which justify maintaining the acreage of this crop at about 1947 levels. Export of this commodity to the United States entitles Canada to receive from that country a pound-for-pound equivalent in other oils.

TABLE 50.—RAPSEED ACREAGE 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947 Preliminary
	ac.	ac.	ac.	ac.
CANADA		12,160	22,000	58,300
Ontario.....		674		
Manitoba.....		5,500	2,000	
Saskatchewan.....		5,000	20,000	58,300
Alberta.....		984		

SUPPLY SITUATION
(Crop Year August 1 to July 31)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary
	000 pounds			
Production.....		6,758	13,000	26,235

Sunflower Seed.—The estimated production of sunflower seed for 1947 was 50 per cent higher than in 1946, and the highest since commercial production of this crop for oil was started some years ago. Slightly increased acreage and higher yields account for this increase. Higher average yields per acre, despite adverse weather conditions in 1947, are attributed largely to extensive use of the improved hybrid variety Advance.

The maximum price for sunflower seed is six cents per pound, with lower prices for inferior grades, delivered to agents of the Canadian Wheat Board at Altona, Man. This price is one cent per pound higher than for the 1946 crop. The Board absorbs freight charges.

Like rapeseed, sunflower seed production for oil is largely limited to the area served by a single crushing unit, in this case the mill at Altona.

There is a good market for sunflower seed oil in Canada, but in competition with imports from Argentina. During the crop years 1945-46 and 1946-47 imports of sunflower seed oil amounted to 2,116 tons and 14,253 tons respectively. In 1947 Canada imported from Argentina approximately 8,030 tons of sunflower oil, an amount roughly equal to domestic production. Considering these import figures, and assuming the possibility of achieving some economies in production, it is estimated that 30,000 acres might be sown to this crop in 1948.

TABLE 51.—SUNFLOWER SEED ACREAGE 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947
	ac.	ac.	ac.	ac.
CANADA		18,504	23,800	25,000
Manitoba.....		11,267	23,000	25,000
Saskatchewan.....		7,071	801	.....
Alberta.....		(a)		

(a) Production on 500 acres in 1943 only.

SUPPLY SITUATION
(Crop year August 1 to July 31)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary
000 pounds				
Production.....		9,769	13,356	20,000

SPECIAL CROPS

Dried Beans.—Production of dried beans in 1947 is estimated at about 8 per cent less than in 1946, despite an increase of five per cent in acreage to practically the recommended objective of 97,400 acres. While production of beans is reported in five provinces, commercial supplies for canning, etc. are secured almost entirely from western Ontario.

Strong domestic demand has maintained the prices of dried beans, no longer under price control at high levels during 1947. No contracts for the sale of this commodity to the United Kingdom have been concluded since the 1946-47 crop year, but export permits are still required for sales abroad.

If the present high level of prices for dried beans is maintained, the acreage sown to this crop in 1947 is likely to equal or exceed the 1946 acreage.

TABLE 52.—DRIED BEANS ACREAGE 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947
	ac.	ac.	ac.	ac.
CANADA	67,982	93,600	91,900	96,700
New Brunswick.....	1,140	1,433	1,400	900
Quebec.....	6,440	13,733	12,400	10,900
Ontario.....	58,540	77,333	76,800	84,100
Saskatchewan.....	242	(a) .....	.....	.....
Alberta.....	820	433	400	100
British Columbia.....	840	767	900	700

(a) Four years 1935-38—no production in 1939.

SUPPLY SITUATION
(Crop year August 1 to July 31)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary
000 bushels				
Production.....	1,283	1,378	1,573	1,436
Imports.....	56	41	72	.....
Total supplies.....	1,339	1,419	1,645	.....
Exports.....	340	215	251	.....
Available for domestic use.....	999	1,204	1,394	.....

Dried Peas.—While the reported acreage of dried peas in 1947 was practically the same as in 1946, adverse weather conditions resulted in a drop of 20 per cent in production.

The strong demand for peas which prevailed in 1946 continued through 1947. Under the 1946 agreement peas supplied to the United Kingdom brought a price of \$3.60 per bushel f.o.b. steamer at Montreal. While no subsequent agreements have been concluded, this price level has been maintained. This commodity, while no longer under price control, is subject to export permits for sales abroad.

With a continuance of present price levels the acreage sown to peas in Western Canada, one of the principal sources of commercial supplies, is likely in 1948 to equal or exceed the 1947 acreage.

TABLE 53.—DRIED PEAS ACREAGE 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947 Preliminary
	ac.	ac.	ac.	ac.
CANADA	85,470	92,967 (a)	126,600 (a)	127,900 (a)
Quebec.....	19,220	25,233	22,800	17,600
Ontario.....	59,140	22,700	34,300	43,500
Manitoba.....	2,100	9,467	30,600	31,200
Saskatchewan.....	390	2,800	11,700	9,400
Alberta.....	760	24,967	19,000	18,500
British Columbia.....	3,860	7,800	8,200	7,700

(a) Includes garden pea seeds for years 1944, 1945, 1946 and 1947.

SUPPLY SITUATION (Crop year August 1 to July 31)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary
	000 bushels			
Production.....	1,343	1,898	2,233	1,797
Imports.....	135	96	68	.....
Total supplies.....	1,478	1,494	2,301	.....
Exports.....	17	142	652	.....
Available for domestic use.....	1,461	1,352	1,649	.....

Husking Corn.—Adversely affected by cold, wet spring weather in Ontario the 1947 acreage of husking corn in Canada was only 70 per cent of the 1946 acreage and 67 per cent of the recommended objective. Early prospects were for low yields of poor quality, but favourable weather in September and October may have resulted in improved quality and higher production than is indicated on the accompanying table.

In Manitoba there has been a failure to maintain the acreage of husking corn at the levels experienced during the war years, when a peak acreage of 100,000 acres was reported for 1941. For the past three years this acreage has not greatly exceeded 10,000 acres. On the other hand, trials conducted during 1947 in eastern Ontario and north of Toronto with new hybrid varieties have indicated strong possibilities of future expansion of husking corn production to areas formerly considered as unsuitable. In view of the large Canadian imports of this crop which have been necessary to satisfy the requirements of the starch and glucose industries, and for stock and poultry feeds, this possibility of increasing domestic production may carry considerable significance.

Prior to the last war the principal sources of imports of corn into Canada were the United States, Argentina and South Africa. During 1942-45 the United States was the only source left open. In 1946 imports from Argentina were resumed. Of the 8,561,000 bushels imported during the crop year ended July 31, 1947, the United States supplied 6,491,000 bushels and Argentina 2,070,000 bushels.

From present indications Canadian imports of corn may have to be increased for the crop year 1947-48.

TABLE 54.—HUSKING CORN ACREAGE 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947
	ac.	ac.	ac.	ac.
CANADA	172,200	245,667	251,700	176,200
Ontario.....	172,200	219,000	240,000	165,700
Manitoba.....		26,667	11,700	10,500

SUPPLY SITUATION
(Crop year August 1 to July 31)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary
000 bushels				
Stocks at beginning of year.....	(a)	2,495	.....	.....
Production.....	7,010	9,947	10,661	6,682
Imports.....	11,001	2,894	8,561	.....
Total supplies.....		15,336	.....	.....
Exports.....	103	127	189	.....
Available for domestic use.....		15,209	.....	.....
Domestic utilization.....		14,662	.....	.....
Carryover end of year.....	(a)	547	.....	.....

(a) Information not available.

Sugar Beets.—Sugar beet acreage in 1947 was 17 per cent lower than the previous year and only 64 per cent of the recommended objective of 90,000 acres. Adverse weather conditions at seed-time in all beet-growing areas was responsible for this reduced acreage, which was considerably less than the total area under 1947 contracts, reported to have been 76,000 acres. Very considerable damage was caused by excessive rains and floods to sugar beet seedlings in Ontario. Total production was more than 100,000 tons less than in the previous year.

Under-production in relation to total refining capacity remains a salient feature of the Canadian sugar beet industry. In the four years since its initiation the sugar beet refinery at St. Hilaire, Que., has succeeded in securing only about one-quarter of the acreage required for economic operation, reputedly due to labour difficulties and to the competition of established cash crops. One Ontario plant has been closed for six years. For the 1948 crop a new factory is expected to be in operation in the Barnwell area of Alberta.

Progressive relaxation of controls on sugar in the United States has been followed by similar action in Canada. Early in November sugar rationing for household consumption was abandoned in Canada, together with the removal of the Dominion subsidy on beet sugar, the latter being compensated for by a general increase of one cent per pound in the price of sugar. Removal of the excise tax of one cent per pound on sugar was announced later in the same month.

TABLE 55.—SUGAR BEET ACREAGE 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947 Preliminary
	ac.	ac.	ac.	ac.
CANADA	52,480	55,833	66,800	57,700
Quebec.....		(a) 2,000	2,100	1,500
Ontario.....	33,720	13,833	23,300	18,000
Manitoba.....		11,300	11,600	9,000
Alberta.....	18,760	29,367	29,800	29,200

(a) Two years only—1944 and 1945.

SUPPLY SITUATION
(Crop year August 1 to July 21)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary
000 tons				
Production.....	518	522	733	608

Flax Fibre.—In recent years the acreage of fibre flax in Canada has been declining steadily from the war-time peak of 47,070 acres in 1942. The 1947 acreage, while slightly higher than in 1939, was 29 per cent lower than in 1946, and only 53 per cent of the recommended objective of 21,000 acres for 1947. The greatest acreage reduction in 1947 occurred in Quebec with a drop of nearly one-half from the 1946 level.

Unfavourable weather conditions with a late spring undoubtedly contributed to the low acreage in 1947, and was expected to have an adverse effect on yields. Late October estimates set the total production of scutched flax at 411 tons and of scutched tow at 515 tons, the lowest production since 1936.

Production from the 1946 crop of fibre flax during the processing year ended September 14, 1947 amounted to 472 tons of officially graded flax and 738 tons of officially graded tow. All of this production, excepting quantities required for domestic use was consigned to the Flax Control of the Board of Trade in the United Kingdom, in accordance with the terms of a contract between the Dominion Department of Agriculture and the Flax Control. Tow, other than that held for domestic purposes, was consigned under contract to the British Board of Trade and to purchasers in the United States. These contracts expired on September 14, 1947, and it is not expected that further contracts will be concluded. It is likely, therefore, that Canadian producers will make arrangements for direct marketing in the United Kingdom, possibly by joint action in appointing a British broker for this purpose. A market exists in the United Kingdom for Canadian flax and tow of known grades and, as far as can now be determined, at prices not less than were paid for the 1946 crop. These prices ranged downward from 40 cents per pound for flax and from 22 cents per pound for tow.

The future of the Canadian flax industry is likely to be strongly influenced by world conditions. Prior to World War II the United Kingdom, Canada's major potential market, secured the bulk of its flax fibre from European sources. The heaviest flax producing countries were the U.S.S.R. and a group of Eastern European countries where climate was suitable and flax production a peasant enterprise of long standing. These countries, together with France, Belgium and the Netherlands in Western Europe, produced over 90 per cent of the flax fibre exports during the 1934-38 period. The principal importer of flax fibre was the United Kingdom, with the United States as a major market for manufactured linen products. The Canadian flax fibre industry, competing with low-cost European exporters, occupied a relatively insignificant position.

During World War II the United Kingdom, deprived of its European sources of supply, stimulated production in Empire countries which increased their total flax acreage from the 1935-39 average of 47,000 acres to 351,000 acres in 1944. This increase was shared by Canada.

While it is difficult to assess developing post-war world conditions in the flax industry, certain probabilities can be observed. In Eastern Europe the realignment of the boundary of the U.S.S.R., which includes in that country the major flax-producing area of pre-war Poland and the formerly exporting countries of Estonia, Latvia and Lithuania, may reduce greatly the quantity of flax

fibres entering world trade. It is possible that, with increasing internal consumption, the U.S.S.R. may absorb the bulk of its own flax production for many years to come, even assuming technological improvements in yield and the repair of war devastations. It is further possible that other European sources of flax fibre may be insufficient for future normal United Kingdom needs. Such contingencies, assuming the maintenance of British sales of finished linen products, might react favourably on the Canadian flax industry.

At the moment, therefore, there would seem to be some grounds for anticipating a somewhat higher level of flax fibre production in Canada as compared with prewar years. Improvements in growing this crop, to increase quality and reduce cost, would strengthen this possibility.

Reference may be made here to the export of fibre flax seed to Northern Ireland. An agreement has been concluded between the Ministry of Agriculture of Northern Ireland and the Canadian Special Products Board for the delivery to the former of 26,000 bushels of Certified No. 1 fibre flax seed produced from the 1947 Canadian crop at a price of \$8.50 per bushel f.o.b. Canadian Seaboard. The varieties covered are Stormont Gossamer, Liral Dominion and Liral Prince. This development indicates a resumption of the export of fibre flax seed to Northern Ireland which was interrupted by the war. Delivery of high quality seed should maintain this market for Canadian producers.

TABLE 56.—FLAX FIBRE ACREAGE 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947 Preliminary
	ac.	ac.	ac.	ac.
CANADA	8,222	31,985	15,864	11,103
Quebec.....	(a)	22,369	10,755	5,708
Ontario.....	(a)	8,630	4,572	4,658
Manitoba.....	(a)	214	102	100
Alberta.....	(a)	126	133	250
British Columbia.....	(a)	647	302	387

(a) Information not available.

ACREAGE AND PRODUCTION OF FLAX FIBRE
(Processing Year September 15 to September 14)

Year	Area Planted	Graded Scutched Flax	Graded Scutched Tow
	acres	tons	tons
1939-40.....	8,306	538	1,806
1940-41.....	20,275	1,020	1,499
1941-42.....	44,467	1,455	3,877
1942-43.....	47,070	1,479	3,177
1943-44.....	35,000	1,370	3,077
1944-45.....	39,000	895	1,743
1945-46.....	21,557	985	1,521
1946-47.....	15,762	472	738
1947-48.....	11,103	411	(a) 515

(a) estimated.

TOBACCO

Canada's 1947 tobacco crop was regarded as likely to exceed the record crop produced in 1946. Cool cloudy weather, however, retarded seedling growth and transplanting was delayed more than usual. Rapid early growth in the field was also delayed. Growing conditions improved later. Summer drought

in August made for reduced yields and hail as well as frost in September did severe damage. Frost affected the Ontario crop more than that of Quebec and it is estimated that the crop was reduced by over 10 million pounds in Ontario compared with a loss of about $\frac{1}{4}$ million pounds in Quebec.

The average yield per acre for the Ontario crop of flue-cured tobacco is estimated at 920.67 lb. as compared with average yields of 1,100 lb. in other years.

The Supply Position.—Tobacco stocks on hand at September 30, 1947, showed a favourable increase. The average removal of leaf for manufacture is about 6.3 million pounds per month and it is estimated that, with normal removals, the supply of old leaf stocks of all types on hand at December 31, 1947, would be sufficient for 15.3 months compared with a more desirable reserve of 18 months' duration.

No decrease in consumption of manufactured products is as yet apparent. Total cigarette consumption in Canada in 1946 was greater than in 1945 by over 600 million cigarettes. This increase may be accounted for by the increase in population due to the return of large numbers of servicemen from overseas. Consumption of cigars and cut tobacco increased in 1946, but consumption of plug tobacco and snuff continued the decrease first noted in 1945. It is considered likely that a strong domestic demand for manufactured tobacco products will continue. Price controls on tobacco products were lifted in February, 1946, and since that time, except for small increases in one or two items, the general retail price for tobacco products has not changed.

Imports.—Over 98 per cent of the raw leaf used in manufactured tobacco is of domestic origin. Increased production has been the main factor in maintaining this high percentage. Cigar leaf makes up most of Canadian imports of tobacco and has been increasing due to lower domestic production and increased demand and consumption of the cigars. Per capita consumption of cigars rose from 11.8 in 1938 to 17.9 in 1946.

Fertilizer Supplies.—Tobacco growers are vitally concerned with the available supply of chemical fertilizer. As yet total world requirements are greater than world production. Phosphates and potash are in better supply for 1948, but are still short of world requirements. It is likely that the world fertilizer shortage will continue for some time.

Canadian phosphate and potash supply seems assured for 1948 although prices for most fertilizers have advanced.

Exports.—Recommendations made in 1946 for 1947 acreage and production took into consideration the probability of continued and larger exports of Canadian leaf to the United Kingdom. Import restrictions imposed by Britain in October, 1947, were relaxed on November 13, 1947, when it was announced that \$6,000,000 worth of Canadian tobacco of all types would be purchased. A minimum average price of 36.5 cents per pound was agreed to by the Board of Directors of the Flue-Cured Tobacco Marketing Association of Ontario for the 1947 crop of Ontario flue-cured leaf on November 14, 1947 and a minimum average price of 28.5 cents per pound was agreed to by the Board of Directors of the Burley Tobacco Marketing Association of Ontario for the 1947 crop of Ontario burley. Since flue-cured leaf constitutes approximately 90 to 95 per cent of exports, it is estimated that the negotiated price should permit total exports of some 16,350,000 pounds made up as follows:

Flue-Cured.....	15,000,000 pounds
Burley.....	750,000 pounds
Dark.....	500,000 pounds
Cigar Leaf.....	100,000 pounds

Although exports to the United Kingdom will be decreased, estimates of total production are not sufficiently large to enable domestic manufacturers to improve materially their stock position. On the other hand, there is no assurance that United Kingdom buyers will be in a position to participate in the 1948 market. Canada therefore may have to seek other markets where high quality would be of prime necessity. Growers, in any case, should strive to improve quality and decrease costs by using, for example, less tobacco farm labour which is a controllable and expensive item in production costs.

TABLE 57.—FLUE-CURED TOBACCO ACREAGES BY PROVINCES 1935-1947

	Average 1935-39	Average 1943-45	1946	1947 Estimated
	ac.	ac.	ac.	ac.
CANADA	50,720	70,295	91,432	103,663
Quebec.....	1,660	4,513	5,429	5,400
Ontario.....	48,800	65,615	85,852	98,146
British Columbia.....	260	167	151	117

SUPPLY SITUATION
(Crop year October 1 to September 30)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary
000 standard pounds				
Stocks at beginning.....	38,456	78,427	74,244	(a) 95,211
Production.....	49,156	60,356	102,905	82,783
Imports.....	3,503	110	25	.....
Total supplies.....	91,115	138,893	177,174	177,994
Exports.....	11,331	11,288	22,142	.....
Available for manufacture.....	79,784	127,605	155,032	.....
Taken for manufacture.....	31,245	53,090	(a) 59,821	.....
Carryover at end of year.....	48,539	74,515	(a) 95,211	.....

(a) Preliminary—Subject to revision.

TABLE 58.—CIGAR TOBACCO ACREAGES BY PROVINCES 1935-1947

	Average 1935-39	Average 1943-45	1946	1947 Estimated
	ac.	ac.	ac.	ac.
CANADA	4,410	2,714	4,165	4,300
Quebec.....	4,410	2,714	4,165	3,500
Ontario.....				800

SUPPLY SITUATION
(Crop year October 1 to September 30)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary
000 standard pounds				
Stocks at beginning.....	5,329	5,082	5,174	(a) 6,723
Production.....	2,984	2,738	4,524	2,755
Imports.....	588	1,126	1,274	1,500
Total supplies.....	8,901	8,946	10,972	10,978
Exports.....	36	237	8	.....
Available for manufacture.....	8,865	8,709	10,964	10,978
Taken for manufacture.....	3,251	4,101	(a) 4,241	.....
Carryover at end of year.....	5,614	4,608	(a) 6,723	.....

(a) Preliminary—Subject to revision.

TABLE 59.—PIPE TOBACCO ACREAGES BY PROVINCES
1935-1947

	Average 1935-39	Average 1943-45	1946	1947 Estimated
	ac.	ac.	ac.	ac.
CANADA (Quebec).....	3,060	1,586	2,227	2,250

SUPPLY SITUATION
(Crop year October 1 to September 30)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary
000 standard pounds				
Stocks at beginning.....	1,895	1,131	2,603	(a) 3,279
Production.....	2,300	1,376	1,955	1,242
Imports.....				
Total supplies.....	4,195	2,507	4,558	4,521
Exports.....	690	192	196	.....
Available for manufacture.....	3,505	2,315	4,362	4,521
Taken for manufacture.....	1,726	1,165	(a) 1,083	.....
Carryover at end of year.....	1,779	1,150	(a) 3,279	.....

(a) Preliminary—Subject to revision.

TABLE 60.—DARK TOBACCO ACREAGES BY PROVINCES
1935-1947

	Average 1935-39	Average 1943-45	1946	1947 Estimated
	ac.	ac.	ac.	ac.
CANADA (Ontario).....	2,620	1,184	2,056	2,080

SUPPLY SITUATION
(Crop year October 1 to September 30)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary
000 standard pounds				
Stocks at beginning.....	2,444	2,000	1,339	(a) 1,875
Production.....	2,429	1,085	1,899	1,801
Imports.....				
Total supplies.....	4,873	3,085	3,238	3,676
Exports.....	845	412	320	.....
Available for manufacture.....	4,028	2,673	2,918	.....
Taken for manufacture.....	1,240	1,158	(a) 1,043	.....
Carryover at end of year.....	2,788	1,515	(a) 1,875	.....

(a) Preliminary—Subject to revision.

TABLE 61.—BURLEY TOBACCO ACREAGES BY PROVINCES
1935-1947

	Average 1935-39	Average 1943-45	1946	1947 Estimated
	ac.	ac.	ac.	ac.
CANADA (Ontario).....	8,610	8,481	10,478	13,500

SUPPLY SITUATION

(Crop year October 1 to September 30)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary
000 standard pounds				
Stocks at beginning.....	16,741	11,520	8,454	(a) 8,925
Production.....	11,657	8,657	9,918	12,309
Imports.....				
Total supplies.....	28,398	20,177	18,372	21,234
Exports.....	2,044	1,671	920	.....
Available for manufacture.....	26,354	18,506	17,452	.....
Taken for manufacture.....	10,119	8,905	(a) 8,527	.....
Carryover at end of year.....	16,235	9,601	(a) 8,925	.....

(a) Preliminary—subject to revision.

HONEY AND MAPLE PRODUCTS

Honey.—The number of bee colonies operated during the 1947 season was the largest on record and exceeded the 1947 recommendation of 537,000 colonies by 13 per cent. There was a reduction in the number of beekeepers in 1947 with the result that the average number of colonies per beekeeper rose from 12 in 1946 to 17 in 1947. This bears out reports that with the scarcity of package bees in the United States, shippers were inclined to give priority to orders from the larger beekeepers. It also may indicate that smaller producers, who kept bees to supplement the limited supplies of sugar and other sweets during the war, are now dropping out.

As pointed out last year the demand during the past eight years is due in part to the shortage of sugar and the scarcity of jams, jellies and syrups. It is to be expected that with rationing no longer in effect the demand for honey will decline. The pre-war five-year average per capita consumption of honey was 2·9 pounds. The three-year 1943-45 average consumption per person was 3·2 pounds but in 1946 due to the exceedingly light crop, consumption dropped to 1·9 pounds per person. The preliminary estimates for 1947 indicate that this season there will be approximately 3·4 pounds per person available for consumption in Canada.

At present all exports of honey are under strict control and during the 1947 season only small shipments moved to Newfoundland. In pre-war years Great Britain was Canada's chief export market but it is not expected that shipment will again be resumed this year. Not only are prices of Canadian honey higher than British packers are willing to pay, but restrictions on dollar imports into Great Britain have virtually put an embargo on such trade.

Imports of honey for the years 1940-46 were considerably in excess of the pre-war average. This honey was imported by manufacturing firms to supplement the sugar supplies. It was not of a type suitable for household consumption and never entered the normal channels of trade. During 1947 imports have almost returned to pre-war levels but the type now being imported is in direct competition with the Canadian product.

TABLE 62.—NUMBER OF BEEHIVES 1935-47 BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947 Preliminary
	No.	No.	No.	No.
CANADA.....	382,800	493,600	548,100	605,100
Prince Edward Island.....	200	600	750	1,000
Nova Scotia.....	1,200	1,500	1,550	2,500
New Brunswick.....	1,500	2,600	2,180	2,900
Quebec.....	68,800	89,100	95,000	113,400
Ontario.....	199,400	204,700	227,400	261,500
Manitoba.....	54,600	54,500	65,000	78,900
Saskatchewan.....	21,300	61,800	65,880	59,200
Alberta.....	14,400	54,300	72,000	68,200
British Columbia.....	21,400	24,500	18,320	17,500

SUPPLY SITUATION

(Crop Year April 1 to March 31)

	Average 1935-39	Average 1943-45	1946-47	1947-48 Preliminary
000 pounds				
Stocks at beginning.....				
Production.....	35,746	36,259	23,975	41,862
Imports.....	225	1,641	3,504	(a) 876
Total supplies.....	35,971	37,900	27,479	42,738
Exports.....	4,151	17	2	(b) 10
Available for domestic use.....	31,820	37,883	27,477	42,728
Carryover at end of year.....				

(a) Based on % change 5 months ended August.

(b) 1947 allocation to Newfoundland.

Maple Products.—The 1947 tapping season commenced early but the prospects for the crop were very uncertain. As the season progressed conditions improved rapidly and by the time the buckets were gathered an exceedingly large crop had been harvested. The sap was very sweet and the quality of the syrup, as a result, was better than average. The tapping season extended over a longer period than normal.

The 1947 maple products crop was the largest since 1924 but in spite of this, average farm prices were at record levels. These high prices were the result of the keen domestic demand and an unusually strong market in the United States. During the 1947 season 35 per cent of the crop was shipped to the United States as compared with the pre-war average of 25 per cent. The average value of exports during the first five months of 1947, expressing both syrup and sugar as syrup, was \$3.69 per gallon. The pre-war average was only \$1.50 per gallon.

It is expected that the United States market will again be attractive to Canadian shippers in 1948. With this outlet for better than one-third of the Canadian crop, the 1947 level of prices may be maintained in 1948. It should be kept in mind that, with the decontrol of sugar and other products that compete with maple syrup and maple sugar as a sweetener, the demand for maple products is not likely to be as strong in the future. The continuation of the present high level of income both in Canada and the United States is also necessary to maintain the current high prices.

TABLE 63.—MAPLE SYRUP AND SUGAR PRODUCTION 1935-47
BY PROVINCES

	Average 1935-39	Average 1943-45	1946	1947
000 gallons				
CANADA	2,683	2,309	2,144	3,923
Nova Scotia.....	12	10	8	10
New Brunswick.....	24	20	17	32
Quebec.....	2,067	1,908	1,883	3,157
Ontario.....	580	371	236	724

SUPPLY SITUATION
(Calendar year)

	Average 1935-39	Average 1943-45	1946	1947 Preliminary
000 gallons				
Stocks at beginning.....				
Production.....	2,683	2,309	2,144	3,923
Imports.....	1	(a)	(b)	(c)
Total supplies.....	2,684	2,309	2,144	3,923
Exports.....	667	334	519	1,496
Available for domestic use.....	2,017	1,975	1,625	2,427
Carryover at end of year.....				

(a) 180 gallons.

(b) 277 gallons.

(c) 515 gallons, based on % change 8 months ended August.

(d) Based on % change 8 months ended August.

SEEDS

Adequate quantities of practically all kinds of seeds are available for domestic use, and surpluses of most kinds exist for export. However, world production of many kinds of seeds is much less than requirements. This is especially true with respect to winter wheat, red clover, spring vetch, sugar beet and several kinds of root and vegetable seeds. Severe winter killing during the winter of 1946-47, followed by a drought of unprecedented severity curtailed production in most European countries. In Czechoslovakia and Switzerland, fall sowing of wheat was abandoned because of insufficient moisture. This situation undoubtedly was responsible for creating a heavy demand for spring sown cereals in countries that normally rely principally on fall seeded crops.

Virtually all controls considered necessary during wartime and the immediate post-war period, with respect to the sale of seeds, have now been lifted. Because red and alsike clover seeds are still under international allocation, export permit control has been retained in order to achieve proper distribution. Due chiefly to the seed and feed supply situation in Eastern Canada, individual export control has not been lifted on registered and certified grades of seeds of cereals, field peas, field beans, corn and oil-bearing seeds of Eastern Canada origin, but these classes and kinds of seeds of Western Canada origin may now be exported on the basis of a general export permit, effective to the end of the present seed year. The adequate supply position of such seeds justifies this action.

It is apparent that lack of dollars in the United Kingdom and Continental Europe has had its effect on export demand for certain kinds of Canadian grown seeds. It is felt, however, that a demand still exists for Canadian grown seeds and that this market will again be available when these countries can resume normal trading.

Seeds of cereals, oil-bearing crops, field peas and beans, fibre flax and corn, can be recovered from commercial production to provide ample supplies for domestic requirements. Production in 1947 of these crops, grown exclusively for seed, was on the whole somewhat above that of 1946.

Alfalfa.—Notwithstanding drought conditions in some of the chief producing areas in Western Canada in 1947, a crop with an estimated production of nearly 11,000,000 pounds was realized. This was about 3,000,000 pounds more than in 1946. With a large crop in the United States, and current supplies the greatest on record, early demand for Canadian alfalfa seed in the United States was not keen. Supply and demand in the United States strongly influences Canadian volume of trade and prices, since practically all alfalfa seed exports are directed to that country. However, with a price support of 25c. per pound set in October 1947, by the United States Department of Agriculture for northern U.S. grown alfalfa seed, prices offered and demand for Canadian seed strengthened considerably. With the merits of Canadian grown alfalfa seed well known, it seems reasonable to expect exports of the 1947 crop to at least equal last year's figure. It would appear that retail prices in Eastern Canada will be at a level that will encourage a somewhat greater use of this important forage crop.

TABLE 64.—ALFALFA SEED PRODUCTION—1943 TO 1947—BY PROVINCES

	Average 1943-45	1946	1947 Preliminary
000 pounds			
CANADA	8,139	8,300	10,817
Quebec.....	3	505	392
Ontario.....	737	1,600	2,100
Manitoba.....	1,066	2,200	5,000
Saskatchewan.....	2,801	3,500	2,500
Alberta.....	3,416	495	825
British Columbia.....	116		

SUPPLY SITUATION

(Crop year ending June 30)

	Average 1943-45	1946-47	1947-48 Preliminary
000 pounds			
Stocks at beginning of year.....	495	1,081	1,306
Production.....	8,139	8,300	10,817
Imports.....			
Total supplies.....	8,634	9,381	12,123
Exports.....	3,567	4,019	4,500
Available for domestic use.....	5,067	5,362	7,623

Alsike Clover.—With an estimated production of alsike clover seed of about 3,500,000 pounds, the 1947 crop fell far short of the objective of 7,000,000 pounds. A record crop of red clover seed was harvested in the United Kingdom in 1947, and to conserve dollars this seed will be used to replace imported alsike seed. Therefore, the usual demand for Canadian alsike seed in the United Kingdom has been curtailed. Notwithstanding this situation, it is felt that there will be a future demand, particularly in the United Kingdom for substantial quantities of alsike seed.

TABLE 65.—ALSIKE CLOVER SEED PRODUCTION—1943 TO 1947—BY PROVINCES

	Average 1943-45	1946	1947 Preliminary
000 pounds			
CANADA	3,317	3,702	3,078
Quebec.....	83	.....
Ontario.....	2,276	2,042	689
Manitoba.....	71	150	125
Saskatchewan.....	19	100	100
Alberta.....	675	1,000	2,000
British Columbia.....	193	410	164

SUPPLY STATION
(Crop year ending June 30)

	Average 1943-45	1946-47	1947-48 Preliminary
000 pounds			
Stocks at beginning of year.....	439	440	473
Production.....	3,317	3,702	3,078
Imports.....	.....	.....	.....
Total supplies.....	3,756	4,142	3,551
Exports.....	483	2,044	1,300
Available for domestic use.....	3,273	2,098	2,251

Red Clover.—Production of red clover seed in 1947 is estimated to be well below that of 1946 and was only about half of the objective set for 1947 production. The greatest reduction occurred in Eastern Canada, where the double-cut type was not more than sufficient to meet domestic requirements. Hardy Canadian grown seed is in a preferred position in many European countries and the United States. Demand from the United States has been keen, and the exportable surplus of the single-cut type of the Altaswede strain produced in Western Canada has moved to that country.

TABLE 66.—RED CLOVER SEED PRODUCTION—1943 TO 1947—BY PROVINCES

	Average 1943-45	1946	1947 Preliminary
000 pounds			
CANADA	7,172	8,674	5,197
Maritimes.....	10	5	.....
Quebec.....	1,497	400	500
Ontario.....	4,377	6,589	2,107
Manitoba.....	70	100	90
Saskatchewan.....	47	200	500
Alberta.....	808	900	1,500
British Columbia.....	363	480	500

SUPPLY SITUATION
(Crop year ending June 30)

	Average 1943-45	1946-47	1947-48 Preliminary
000 pounds			
Stocks at beginning of year.....	664	535	347
Production.....	7,172	8,674	5,197
Imports.....	9	43	.....
Total supplies.....	7,845	9,252	5,544
Exports.....	1,108	3,773	1,500
Available for domestic use.....	6,737	5,479	4,044

Sweet Clover.—A large proportion of the production of sweet clover seed is normally exported to the United States. Exports during the past several years have shown a steady increase each year, and in 1946 closely approached the record amount exported from the 1945 crop. Acreage devoted to this seed crop in the United States has shown some decrease and, in view of the apparent upward trend in exports, it is believed that a market could be found for approximately ten million pounds.

TABLE 67.—SWEET CLOVER SEED PRODUCTION—1943 TO 1947—BY PROVINCES

	Average 1943-45	1946	1947 Preliminary
000 pounds			
CANADA	9,605	11,903	9,870
Ontario.....	752	288	218
Manitoba.....	4,233	3,000	3,000
Saskatchewan.....	1,045	2,500	1,500
Alberta.....	3,500	6,000	5,000
British Columbia.....	75	115	152

SUPPLY SITUATION

(Crop year ending June 30)

	Average 1943-45	1946-47	1947-48 Preliminary
00 pounds			
Stocks at beginning of year.....	1,253	930	1,494
Production.....	9,605	11,903	9,870
Imports.....			
Total supplies.....	10,858	12,833	11,364
Exports.....	8,101	10,421	9,500
Available for domestic use.....	2,757	2,412	1,864

Timothy.—In pre-war years Canada imported large quantities of timothy seed, but in recent years production has not only been sufficient for domestic needs, but a considerable surplus has been available for export. Production in 1947 was somewhat lower, however, but a relatively large carryover has increased supplies sufficiently to meet domestic requirements, with a small amount available for export. Production of timothy seed in 1947 in the United States was about 10 per cent greater than in 1946 and, with a large carryover, prices there have been below those of recent years.

TABLE 68.—TIMOTHY GRASS SEED PRODUCTION 1943 TO 1947 BY PROVINCES

	Average 1943-45	1946	1947 Preliminary
000 pounds			
CANADA	13,703	14,705	12,252
Maritime Provinces.....	175	60	24
Quebec.....	3,498	3,250	3,250
Ontario.....	8,332	10,005	7,757
Manitoba.....	193	400	300
Saskatchewan.....	10	15	15
Alberta.....	1,068	500	500
British Columbia.....	427	475	406

SUPPLY SITUATION
(Crop year ending June 30)

	Average 1943-45	1946-47	1947-48 Preliminary
Stocks at beginning of year.....	3,841	3,028	4,253
Production.....	13,703	14,705	12,252
Imports.....	1,409	251	500
Total supplies.....	18,953	17,984	17,005
Exports.....	2,093	2,243	1,000
Available for domestic use.....	16,860	15,741	16,005

Brome Grass.—Production of brome grass seed in 1947 was slightly less than that recommended. There was, however, more than enough to meet Canadian requirements and demand in the United States is expected to be maintained, so that the exportable surplus will find a satisfactory market. Exports to the United States have been maintained at a fairly constant level during the past six years and, with a greater use being made of this seed in Canada and the United States, the outlook for this crop remains unchanged.

TABLE 69.—BROME GRASS SEED PRODUCTION 1943 TO 1947 BY PROVINCES

	Average 1943-45	1946	1947 Preliminary
CANADA	10,528	8,850	7,500
Manitoba.....	2,668	1,300	1,500
Saskatchewan.....	3,811	3,500	2,000
Alberta.....	4,000	4,000	4,000
British Columbia.....	49	50	.....

SUPPLY SITUATION
(Crop year ending June 30)

	Average 1943-45	1946-47	1947-48 Preliminary
Stocks at beginning of year.....	753	656	872
Production.....	10,528	8,850	7,500
Imports.....	.....	.....	.....
Total supplies.....	11,281	9,506	8,372
Exports.....	6,762	6,663	6,000
Available for domestic use.....	4,519	2,843	2,372

Crested Wheat Grass.—Crested wheat grass seed production in 1947 was appreciably below that of 1946. Drought conditions in some of the important producing areas of Western Canada had a rather serious effect on seed yields. While exports of this seed were greatly reduced in 1946, it was thought that increased use of crested wheat grass, particularly on ranges, should create a much greater demand.

TABLE 70.—CRESTED WHEAT GRASS SEED PRODUCTION 1943 TO 1947 BY PROVINCES

	Average 1943-45	1946	1947 Preliminary
CANADA	2,003	1,110	550
Manitoba.....	214	50	25
Saskatchewan.....	1,534	1,000	500
Alberta.....	250	50	25
British Columbia.....	5	10	.....

SUPPLY SITUATION
(Crop year ending June 30)

—	Average 1943-45	1946-47	1947-48 Preliminary
000 pounds			
Stocks at beginning of year.....	432	92	69
Production.....	2,003	1,110	550
Imports.....			
Total supplies.....	2,435	1,202	619
Exports.....	1,051	199	.....
Available for domestic use.....	1,384	1,003	619

Other Grasses.—Production of practically all the less widely grown grasses was somewhat above that of 1946. Canada blue grass seed production was higher than in any previous year on record and well above the 1943-45 average. Production of Kentucky blue grass seed is confined entirely to certain areas of Manitoba, where, under favourable conditions, considerable seed may be harvested. The 1947 crop, while more than double that of 1946, will not meet Canadian requirements and normal imports from the United States are anticipated.

Over a period of years the merits of Canadian grown creeping red fescue seed have become well known in the United States and a keen demand usually exists for our exportable surplus. Production in 1947 was well above that of a year ago and provided a sizeable quantity for export.

Meadow fescue and orchard grass are not produced in quantities sufficient to meet Canadian requirements and fairly large amounts are imported annually.

TABLE 71.—OTHER GRASS SEED PRODUCTION 1943 TO 1947

—	Average 1943-45	1946	1947 Preliminary
000 pounds			
CANADA	985	1,240	1,614
Canada blue grass.....	263	560	620
Kentucky blue grass.....	195	120	300
Creeping red fescue.....	465	364	510
Meadow fescue.....	49	166	154
Orchard grass.....	13	30	30

SUPPLY SITUATION
(Crop year ending June 30)

—	Average 1943-45	1946-47	1947-48 Preliminary
000 pounds			
Stocks at beginning of year.....	213	279	331
Production.....	985	1,240	1,614
Imports.....	436	220	200
Total supplies.....	1,634	1,739	2,145
Exports.....	215	179	300
Available for domestic use.....	1,419	1,560	1,845

Vegetable and Root Seed Crops.—During the war years production of vegetable and root seed was greatly expanded in order to replace normal imports from Europe, to meet an increased domestic demand and to assist in supplying the needs of the United Kingdom and Allied countries. This stimulated pro-

duction was chiefly accomplished by government sponsored contracts with growers at guaranteed prices. The present situation is no longer critical and there are now no government contracts in effect.

In view of this situation, it was felt that Canadian producers would be well advised to produce only those quantities, kinds and varieties for which definite contracts can be obtained.

TABLE 72.—VEGETABLE AND ROOT SEED PRODUCTION 1943 TO 1947

Kind	Average 1943-45	1946	1947 Preliminary
	pounds		
Bean.....	755,947	777,500	931,050
Beet.....	60,300	47,923	60,477
Cabbage.....	7,837	10,883	3,200
Carrot.....	207,232	174,950	40,800
Cauliflower.....	4,132	1,189	720
Corn.....	548,582	1,055,090	514,100
Cucumber.....	11,609	8,050	15,950
Leek.....	4,092	700	1,500
Lettuce.....	34,432	65,450	34,450
Mangel.....	190,808	85,050	113,600
Muskmelon.....	632	1,570	2,000
Onion.....	282,175	235,505	78,570
Parsnip.....	24,237	12,330	5,200
Peas.....	11,998,592	16,023,700	16,557,492
Pepper.....	283	335	145
Pumpkin.....	2,125	2,505	3,000
Radish.....	189,313	151,800	65,250
Spinach.....	46,878	18,100	13,260
Squash and Marrow.....	11,532	5,360	11,550
Swede.....	115,240	31,700	15,500
Tomato.....	8,393	4,820	4,500
Watermelon.....	365	475	600

TABLE 73.—VEGETABLE AND ROOT SEED SUPPLY SITUATION, 1946-47

(Crop year ending June 30—Final Estimate)

Kind	Stocks at beginning of period	Production	Imports	Total Supply	Exports	Available for Domestic Use
	pounds					
Bean.....	414,495	777,500	751,945	1,943,940	.....	1,943,940
Beet.....	51,177	47,923	89,490	188,590	286	188,304
Cabbage.....	27,109	10,883	29,025	67,017	5,764	61,253
Carrot.....	154,886	174,950	38,854	368,690	100,544	268,146
Cauliflower.....	2,565	1,189	2,656	6,410	106	6,304
Corn.....	300,559	1,055,090	901,615	2,257,264	.....	2,257,264
Cucumber.....	21,250	8,050	95,513	124,813	425	124,388
Leek.....	1,949	700	606	3,255	.....	3,255
Lettuce.....	25,634	65,450	23,347	114,431	38,703	75,728
Mangel.....	78,781	85,050	32,898	196,729	37,222	159,507
Muskmelon.....	4,812	1,570	4,661	11,043	.....	11,043
Onion.....	48,225	235,505	25,079	308,809	27,512	281,297
Parsnip.....	38,595	12,330	9,117	60,042	172	59,870
Peas.....	1,295,746	16,023,700	2,762,145	20,081,591	1,625,081	18,456,510
Pepper.....	718	335	1,156	2,209	.....	2,209
Pumpkin.....	5,455	2,505	7,591	15,551	20	15,531
Radish.....	70,278	151,800	59,057	281,135	70,373	210,762
Spinach.....	69,542	18,100	27,485	115,127	1,054	114,073
Squash and Marrow.....	13,454	5,360	14,906	33,720	5,486	28,234
Swede.....	183,521	31,700	38,178	253,399	51,156	202,243
Tomato.....	9,893	4,820	5,398	20,111	376	19,735
Watermelon.....	3,724	475	7,208	11,407	25	11,382

TABLE 74.—VEGETABLE AND ROOT SEED SUPPLY SITUATION, 1947-48
(Crop year ending June 30—Preliminary Estimate)

Kind	Stocks at beginning of period	Production	Imports	Total Supply	Exports	Available for Domestic Use
pounds						
Bean.....	465,292	931,050	700,000	2,096,342	50,000	2,046,342
Beet.....	58,388	60,477	80,000	198,865	15,000	183,865
Cabbage.....	18,612	3,200	20,000	41,812	5,000	36,812
Carrot.....	141,740	40,800	50,000	232,540	125,000	107,540
Cauliflower.....	2,095	720	3,000	5,815	2,000	3,815
Corn.....	370,350	514,100	1,000,000	1,884,450	.....	1,884,450
Cucumber.....	28,427	15,950	90,000	134,377	.....	134,377
Leek.....	2,170	1,500	500	4,170	.....	4,170
Lettuce.....	34,748	34,450	20,000	89,198	20,000	69,198
Mangel.....	63,256	113,600	25,000	201,856	.....	201,856
Muskmelon.....	5,053	2,000	4,000	11,053	.....	11,053
Onion.....	133,432	78,570	15,000	227,002	75,000	152,002
Parsnip.....	39,046	5,200	10,000	54,246	.....	54,246
Peas.....	1,865,067	16,557,492	2,500,000	20,922,559	1,500,000	19,422,559
Pepper.....	745	145	1,000	1,890	.....	1,890
Pumpkin.....	5,623	3,000	7,000	15,623	.....	15,623
Radish.....	64,881	65,250	40,000	170,131	.....	170,131
Spinach.....	57,354	13,260	25,000	95,614	10,000	85,614
Squash and Marrow.....	12,998	11,550	12,000	36,548	.....	36,548
Swede.....	71,247	15,500	30,000	116,747	116,747
Tomato.....	8,011	4,500	5,000	17,511	17,511
Watermelon.....	5,296	600	7,000	12,896	12,896

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